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# Senate

The Senate met at 9:30 a.m. and was called to order by the Honorable KIRSTEN E. GILLIBRAND, a Senator from the State of New York.

## PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer.

Let us pray.

Lord, You illuminate our lives with Your presence and protect us from danger. You keep us from stumbling and falling. In the fret and fever of these challenging times, thank You for this quiet moment when we can lift our hearts to You. Today, make the highest incentive of our Senators be not to win over one another but to win with one another by doing Your will for all. Lord, make them faithful agents who are determined to bring Your purposes to pass. Correct their mistakes, redeem their failures, confirm their right actions, and crown their day with the blessing of Your approval.

We pray in Your loving Name. Amen.

## PLEDGE OF ALLEGIANCE

The Honorable KIRSTEN E. GILLIBRAND, a Senator from the State of New York, led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. INOUYE).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
*Washington, DC, July 11, 2012.*

*To the Senate:*

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable KIRSTEN E. GILLIBRAND, a Senator from the State of New York, to perform the duties of the Chair.

DANIEL K. INOUYE,
*President pro tempore.*

Mrs. GILLIBRAND thereupon assumed the chair as Acting President pro tempore.

## RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

## SMALL BUSINESS JOBS AND TAX RELIEF ACT—MOTION TO PROCEED

Mr. REID. Madam President, what is the matter now before the Senate?

The ACTING PRESIDENT pro tempore. The motion to proceed to S. 2237.

### SCHEDULE

Mr. REID. Madam President, the next hour will be equally divided between the two leaders or their designees. The Republicans will control the first half, the majority will control the final half.

We are hopeful we will be able to agree to the motion to proceed to S. 2237, the Small Business Jobs and Tax Relief Act, today.

### MEASURE PLACED ON THE CALENDAR—S. 3369

Mr. REID. Madam President, I am told that S. 3369 is at the desk and due for a second reading.

The ACTING PRESIDENT pro tempore. The clerk will report the bill by title for the second time.

The legislative clerk read as follows:

A bill (S. 3369) to amend the Federal Election Campaign Act of 1971 to provide for additional disclosure requirements for corporations, labor organizations, super PACs, and other entities, and for other purposes.

Mr. REID. I object to any further proceedings with respect to this bill at this time.

The ACTING PRESIDENT pro tempore. Objection is heard. The bill will be placed on the calendar.

### TAX CUTS

Mr. REID. Madam President, over the last few years Americans who are very wealthy have taken home a greater share of the Nation's income since the 1920s. That is 90 years. A larger percentage of what is out there the rich are getting. The rich are getting richer and the poor are being squeezed, as are the middle class. The rich are doing well.

But while the bank accounts of a few fortunate Americans have grown, their tax bills have not. The wealthiest Americans now pay the lowest tax rates in more than 50 years.

While this generous Tax Code has been good for their bottom lines, it hasn't been good for America's bottom line. Hundreds of billions of dollars in tax cuts—some say more than $1 trillion—have been handed out disproportionately to the rich by the previous administration, fueling skyrocketing deficits and a growing national debt.

Democrats and Republicans alike agree that we have to reduce the deficit and rein in the debt. Unfortunately, the same Republicans who say we have to get our fiscal house in order also claim millionaires and billionaires cannot afford to contribute even a tiny bit more and share the effort that is before this country.

These same Republicans say multimillionaires such as Mitt Romney need lower taxes—even lower than the only tax return we have been able to see of Governor Romney, which showed his rate at 16 percent. We don't know what is in the other tax returns he should have made public. Tax returns were made public by his father, who started it, and everyone who has run for President since then has followed him. George Romney set an example that his son should follow. We want to know what is in those tax returns he refuses to show the American public. Did he pay any taxes?

Well, I suggest to everybody that Mitt Romney doesn't need another tax

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

break. In fact, he has so much money that he doesn't even know where it is all located—Switzerland, Cayman Islands, Bermuda? No wonder he doesn't want America to see his tax returns.

Mitt Romney is doing fine, and so are the other millionaires and billionaires. It is the middle class I am worried about, not the very wealthy.

We all know times have been tough the last few years for ordinary Americans who are struggling to keep a roof over their head and food on the table. That is the literal truth. The last thing they can afford now is a tax increase. That is why Democrats want to keep taxes low for 98 percent of Americans, including almost 98 percent of small businesses—everyone making less than $250,000 a year. But while Democrats are focused on how we can help 98 percent of Americans, Republicans are focused on how they can help Mitt Romney and the rest of the top 2 percent. They are willing to hold tax cuts for everyone hostage to protect tax breaks for that top 2 percent.

Democrats don't agree the top 2 percent of wage earners can't afford to pay the same tax rate they paid when Bill Clinton was President. Remember, that was when the budget was balanced and we were paying down the debt. Some claimed they were paying down the debt too quickly. The years of the Bush administration took care of that, when the $7 trillion surplus over 10 years was wiped out.

Still we are willing to debate that with our Republican colleagues, and we are willing to discuss it reasonably. But we don't believe middle-class families should wait and wonder, watch and worry whether their taxes are about to go up while Congress has that conversation. We should not wait until the last second to act.

Here is what one major newspaper wrote yesterday about the need to act:

> The majority of Americans, and the broader economy, should not be held hostage again to another debate over the merits of tax cuts for the wealthy. . . . There will never be consensus for solving our nation's budget problems without first ending the lavish tax breaks at the top.

I call on my Republican colleagues to help us give 98 percent of American families the certainty and the security they need, and to do it now, right away. I call on them to help us pass a tax cut that will benefit the middle class without bankrupting our Nation.

It is time we faced facts. If we are serious about reducing the deficit, we cannot keep handing out more tax breaks to the richest of the rich. We will have to make difficult decisions about where to cut and invest to keep our Nation strong.

But whether we keep taxes low for middle-class families should not be one of the difficult decisions we make. I haven't heard one person—Democrat, Republican, or Independent—say we should raise taxes on middle-class families. This is an area where we can easily find common ground. So what is stopping us from doing what is right and doing it now? I hope it won't be more Republican hostage-taking on behalf of the top 2 percent.

## RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

## RAISING TAXES

Mr. MCCONNELL. Madam President, earlier this week President Obama reiterated his desire to raise taxes on small businesses earning over $250,000 a year. I and all of my Republican colleagues oppose this tax hike for the same reason the President himself opposed it 2 years ago—because raising taxes would only make a bad economy worse.

But here it comes again—sort of like a bad penny—the liberal crusade for more government, regardless of the circumstances, the impact it would have on working Americans or the broader economy.

On Monday the President issued the following reckless ultimatum: Let me raise taxes on about 1 million business owners, and I promise I won't raise taxes on everybody else.

In the face of 41 straight months of unemployment above 8 percent, the President is begging Congress to let him raise taxes on the very businesses the American people are counting on to create jobs.

It is the exact opposite, of course, of what is needed. For some reason, he thinks a tax hike is his ticket to reelection. He says it is fair.

Well, I don't think most Americans think it is particularly fair for a government that doesn't do a thing to live within its means to take more money away from those who have worked and sacrificed to earn it, only to waste it on some solar company or on one more government program we can't afford.

We have seen this movie too many times in the past. Frankly, we don't have the luxury to waste any more time arguing about a question that is already settled for most people. The problem here isn't that the government taxes too little but that it spends too much.

What the American people need right now isn't a lecture on fairness; they would like to have some certainty. That is why today I am going to call on the Senate to provide just that. I have already called for a 1-year extension of all the current income tax rates.

Today I will go further by asking consent that we set up two votes in the Senate: one on the President's proposal to raise taxes on nearly 1 million business owners in the middle of the worst economic recovery in modern times, and another that would extend current income tax rates for 1 year and task the Finance Committee to produce a bill that would enact fundamental, progrowth tax reform.

It has been over a quarter century since we last did comprehensive tax reform. We all agree, on a bipartisan basis, that we need to do it again.

The Senate should make itself clear which policy it supports, and this is our chance to do it.

On Monday, the President said if the Senate passes this tax hike on small businesses, he would sign it right away. That is what he said 2 days ago, on Monday. I can't see why our friends on the other side would not want to give him the chance.

With that, I ask unanimous consent that at 2 p.m. today the motion to proceed to S. 2237 be adopted, and that the first two amendments in order to the bill be the Hatch-McConnell amendment No. 2491, which would provide for the extension of current rates while we work on tax reform, and a Reid or designee amendment to enact the President's proposal, which, as I have said, would impose job-killing tax hikes on nearly 1 million businessowners.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. REID. Madam President, reserving the right to object, we have been here before. We try to legislate here, and the program of the Republicans in the Senate has been to divert, deny, and obstruct.

I asked the Chair when we started what we were doing here, and we are on a small business jobs bill. It is extremely important legislation. It would give small businesses across America—small businesses with less than 500 employees—and that is where most jobs are created—a 10-percent tax credit for hiring more people, and it would also give them the ability, this year, to purchase equipment and write that off. It would be great for the economy.

We are told by outside experts that it would create about a million jobs. What we have before us is something that the Republicans in the House have sent us. It is their version of this. It is the ''help Paris Hilton'' legislation. It would give people like her a tax break for doing nothing—$46 billion of the American people's money to help Paris Hilton and others. It would give people a tax break for doing nothing—nothing. And for my friend the Republican leader to talk about small businesses being hurt with the proposal of the President—that is not true. As I said in my opening statement, 98 percent of the American people would have the benefit of that tax benefit, and 97½ percent of small businesses would benefit.

So we are in the situation where my friend talks about the fact that we have not had enough job creation, and I acknowledge that. Certainly that is true, and the President acknowledges that. But you see, we have kind of a hole to pull ourselves out of. During the prior 8 years, 8 million-plus jobs were lost, and we have filled that hole more than halfway, with 4½ million new jobs being created. We have had 28 months of private sector job growth—28 months in a row. So we are making progress, but we have a long way to go.

Madam President, I object.

The ACTING PRESIDENT pro tempore. Objection is heard.

The Republican leader.

Mr. MCCONNELL. Let me simplify this for everybody. On Monday the President asked that we have the vote I have just offered to the majority. We have a clear contrast here. We have 41 straight months of unemployment over 8 percent. If this is a recovery, it is the most tepid recovery in modern times. The President's solution to that is to raise taxes on about 1 million small business owners, representing about 53 percent of small business income and up to 25 percent of the workforce.

We are on a different bill that my friend the majority leader is talking about, that I understand would be slipped by the House in any event. Clearly, what we are doing this week is having a political discussion, not seriously legislating. So my recommendation is that we give the President what he asked for. He wants to have a vote on raising taxes on individuals making over $250,000 a year, which, of course, includes almost 1 million small businesses that pay taxes as individuals, not as corporations—they are either S corps or LLCs—the most successful small businesses in America, in fact. That is a vote we welcome. It is a vote the President is asking for, and it is a vote I just asked for.

Senator HATCH, our leader on the Finance Committee, here on the floor right behind me today, has advocated that we extend the current tax rates for 1 year—the same thing the President, I would say to my friend from Utah, wanted to do 2 years ago, at that time arguing it would be bad for the economy not to do that. And the growth then was actually better than it is now. We think we ought to vote on that. It would give Senator HATCH and Senator BAUCUS and the people on the Finance Committee a year to work us through comprehensive tax reform. Again, it has been a quarter of a century since we have done that.

Why not have those votes today? That is what my consent agreement is about. I am a little surprised we are not willing to give the President what he asked for, which is a vote on a clear distinction for the American people so they can understand how the two sides look at this important issue. It could not be more clear.

Madam President, I yield the floor.

The ACTING PRESIDENT pro tempore. The majority leader.

Mr. REID. Madam President, the American people are seeing again—again and again and again—the scores of times during the last 18 months that we have engaged in a filibuster. As I said earlier, it is a way to divert attention from what we are doing today—to obstruct. As is indicated in the Oxford English Dictionary, a filibuster is an act which obstructs progress in a legislative assembly; to practice obstruction. That is what is going on today.

Now, why shouldn't we pass this bill that is before the body today? It would create 1 million jobs and give small businesses—not Paris Hilton but small businesses—across America today a tax credit for hiring more people and allow them to write off what they purchase, which would create more jobs.

So we have here a big Las Vegas neon sign flashing on and off saying: Grover Norquist has won again.

To the people out there watching who might be wondering who Grover Norquist is, remember, he is this guy who goes to the Republicans and asks if they would be kind enough to sign a pledge for him that does what he wants them to do and not what the American people want, which is that they will not tax the rich at all, not even a tiny bit. He says: Sign this pledge, will you? Of course they all sign. But the American people—Democrats, Independents, and Republicans—agree that the richest of the rich should pay a little bit more.

But we are now involved in a filibuster to divert attention away from an important piece of legislation. Let's pass this legislation. We will have this tax debate. We will be happy to do that, but let's get this done first. As most people know, I appreciate my friend the Republican leader. I know he has a job to do. But let's get away from this pledge, and let's start legislating and not have to break filibusters on virtually everything we do.

The ACTING PRESIDENT pro tempore. The Republican leader.

Mr. MCCONNELL. Madam President, I think we have witnessed here a new definition of a filibuster. My good friend the majority leader, I gather, is accusing me of filibustering when I am trying to get a vote—not one but two votes—on what he says he is for, what the President says he is for, and a vote on what Republicans are for. So we have here a brandnew definition of a filibuster. Even when you are trying to get votes and they are objected to by the other side, somehow that is a filibuster.

Now, my good friend talks about what would help small businesses. I think we ought to ask them would they prefer the underlying bill, which the majority leader has called up and we have voted to proceed to, or would they prefer not to have their taxes go up at the end of the year? Talk about a nobrainer. I don't think there is any question what small businesses would rather have.

But we are certainly not filibustering. We enjoy discussing our differences of opinion on the tax issue. There couldn't be anything more important to the American people if we are going to get this economy going again. And certainly trying to set up two votes—No. 1 on what the President is asking for and No. 2 on what Republicans think is a better alternative—could not, in my view, be the definition of a filibuster.

So Senator HATCH is here—and obviously the majority leader can speak again if he wishes—and he is going to address the matter as well, but I wish to thank him again for his conspicuous leadership on the Finance Committee. We are looking to him to work us through this comprehensive tax reform matter again next year. It is going to be extremely important for the country, and I thank him for his good work.

The ACTING PRESIDENT pro tempore. The majority leader.

Mr. REID. Madam President, when I came here this morning—I repeat for the third time—I asked what the business was before this body. It is the small business jobs bill. Of course, there has been a direct attack on that legislation by saying: Let's do something else. Let's not do this right now. Let's do something else.

I understand the definition of a filibuster. I understand it very clearly—from the Dutch, a ''free booter,'' one of a class of piratical adventurers who pillaged the Spanish colonies in the West Indies during the 17th century; one who engages in unauthorized and irregular warfare against a foreign state. They go on to say, in the United States, to obstruct progress in a legislative assembly; to practice obstructionism.

Yes, they are trying to, as the ''free booters'' here, steal legislation and move to something else. They will do anything they can, as my friend the Republican leader said at the beginning of this Congress, to divert attention from the fact that President Obama should be reelected.

Madam President, I will end this debate soon. There will be other times to do this. But if Governor Romney came before this body to be a Cabinet officer, he couldn't get approved. He won't show anybody his income tax returns. So if he doesn't qualify to be a Cabinet officer, how could he qualify to be President? So let's debate the issues before us. We will get to the tax issues, and that way we will be able to talk in more detail about Governor Romney's taxes. But right now, before this body is the small business jobs bill.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

ORDER OF BUSINESS

Under the previous order, the following hour will be equally divided and controlled between the two leaders or their designees, with the Republicans controlling the first half and the majority controlling the final half.

The Senator from Utah.

TAX CUTS

Mr. HATCH. Madam President, this is really an amazing moment, as far as I can see. Sometimes, for those watching on C–SPAN, the Senate, with its unique rulings, can seem like a pretty arcane place. The impact of unanimous consent requests is not something ordinary folks talk about, so let me put this in plain English.

The Senate's Republican leader has just made a remarkable offer to our friends on the other side, the Democrats. We hear all the time from the left that Republicans refuse to do anything in the Senate, which certainly is

mind-boggling. Remember this episode the next time you hear that. My friend and colleague, the Senator from Kentucky and the Republican leader, MITCH MCCONNELL, presented this body with an opportunity to take a stand, to take a vote—two votes, as a matter of fact—to show the American people our cards on the most important issue facing this country: the coming fiscal cliff. In exchange for a vote on the amendment I introduced to extend all of the 2001 and 2003 tax relief for 1 year, the Republican leader agreed to a vote on the President's counteroffer that would increase taxes on families and small businesses. You heard that right. The Republican leader offered a vote on President Obama's plan to raise taxes, and the Democratic leader rejected this offer. That is mind-boggling to me. Senate Democratic leadership turned down an opportunity to vote on President Obama's tax increase bill—the bill he insists is the only acceptable way to address the fiscal cliff.

After today, all of the President's surrogates, if they are honest, will have to rewrite their talking points about the do-nothing Republicans in the Senate. Senate Democratic leadership is effectively filibustering—and that is the real use of the term—President Obama's tax increase bill. Did everyone out there hear that? They are filibustering their own bill by not agreeing to equivalent votes here.

So what does that tell us? Here is what it tells us. It tells us that the President's tax increase plan is not just an economic disaster, it is a political loser, and they know it. It tells us that in spite of all the big talk from the President's Chicago reelection campaign about evil Republicans who want to extend all of the 2001 and 2003 tax relief, vulnerable Members of the Senate's Democratic conference do not want to be anywhere near the President's tax increase alternative. To borrow from the film ''Top Gun,'' the President's campaign is writing checks that Senate Democrats can't cash or, as we westerners like to say, the President is all hat and no cattle. He is tipping his tax increase Stetson, but he doesn't have enough of a herd in the Senate to follow him.

Keep in mind that the Democratic leadership is not just filibustering the President's tax increase proposal, that leadership is also filibustering my tax relief proposal as well. And I suspect they are filibustering this amendment because they are afraid it would pass. Forty Democrats in this Chamber supported the extension of the 2001 and 2003 tax relief in 2010—40 Democrats—and they would probably do so again if they had a chance, so the Democratic leadership has decided to deny them that chance.

The President is asking for compromise. Well, he is looking at it. As the ranking member on the Senate Finance Committee, I have deep reservations about temporary tax policies. Temporary tax policy does not provide the certainty to small businesses and families that is necessary for long-term planning and investment. If a small business does not know what its tax bill is going to be next year, it is not going to be doing any hiring. We all understand that. So it is not surprising to me, with next year's tax rates up in the air, that we just saw the worst quarter of hiring in over 2 years.

But in the interest of preventing a tax increase that would further hamper the economy, I am willing to set aside the virtue of permanency for the time being.

My amendment would just extend the 2001 and 2003 tax relief for 1 year, and during that year we would work on doing what is right with regard to tax reform.

The amendment I have filed with my friend, the Republican leader, is in itself a compromise, but we have offered a further compromise. Fair is fair. We have our proposal: We want to keep taxes low for all Americans, particularly with our economy on the ropes. And the President has his proposal: He wants to raise taxes on small businesses, even as the prospects for economic growth and job creation look increasingly bleak.

So let's have these votes. Let's get it on the record. Our constituents sent us here to make hard choices. It is time to put our money where our mouth is.

If the President and his party think it is morally reprehensible to extend all of the 2001 and 2003 tax relief, then they should vote against it. If they think raising taxes is the way to go, then vote for the President's plan.

I wish I could say I was shocked, but this is just par for the course. We have been watching this now for a couple of years.

I know the hand-wringing Washington pundits like to blame Republicans for the lack of progress on the fiscal cliff, but this episode should show, once and for all, what a fiction that is. Republicans are ready to act. We are ready to vote. We can vote on my amendment to extend tax relief to all Americans and on the President's proposal to deny that tax relief to small businesses. We can do what our constituents sent us here to do—we can vote and let the better plan win. But the Democratic leadership, fearful of the embarrassing reality that their own conference has serious reservations about the President's tax-hiking agenda, is now filibustering their own bill, and they are now filibustering President Obama's signature tax policy.

Those who continue to talk about the President's reelection prospects in glowing terms need to reevaluate that fairly. President Obama thinks the ticket to his reelection runs through tax hike valley. He is going to succeed where Walter Mondale failed.

President Obama's signature economic policy is a promise to raise taxes on job creators when we are facing the 40th straight month of unemployment in excess of 8 percent. We don't need a sophisticated poll to figure out how popular this policy is in swing States or with Independents. Just look at what happened this morning. Republicans offered a vote on the President's plan, and Democrats balked at the opportunity.

Democrats are filibustering President Obama's signature domestic policy—a bill to increase taxes—and they are doing so because many members of their own conference know that a vote for these tax increases would sink them back home. They know that.

This is a pathetic spectacle made even more so by the fact that time is running short, the fiscal cliff is approaching, and families and businesses need to know what their tax rates will be next year. To date, the Senate's Democratic leadership has done absolutely nothing to provide that certainty. It is disgraceful what we are witnessing this morning. We need to put politics aside and have these votes.

I would renew the Republican leader's unanimous request and ask that we immediately proceed to debate and votes on my amendment to extend tax relief to all Americans and on the President's tax increase plan. President Obama seems to think he has a winning issue. It might be good for him, but delaying resolution of these tax rates is putting partisan goals ahead of the common good. The American people deserve better than this.

What is mind-boggling to me is for our leader to tie up the parliamentary tree so no real amendments can be voted on. And we offer him a vote on the President's proposal and he accuses us of filibustering when he refuses to allow that vote? Before that we would like to have a vote on our proposal for the 2001 and 2003 tax relief that we know needs to be effectuated. Then what really boggled my mind is when the leader talked in terms of the Republicans are filibustering? Give me a break.

We have asked for two major votes: one on the President's own proposal and the other on my proposal to extend those tax cuts for 1 more year, during which time both sides should come together, work together, compromise together, and come up with a new reformed Tax Code that doesn't continue to eat us alive.

I am absolutely amazed by what happened this morning.

With that, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Indiana.

Mr. COATS. Madam President, I came down to the floor early to line up in the queue to talk about taxes and the proposal that has just been discussed.

I sat here in amazement as the Senator from Utah has just expressed, and as the minority leader expressed the redefinition of ''filibuster.'' It was a tortured effort on the part of the majority leader to try to redefine it in a way that had just the opposite effect of what a filibuster really is.

I wish the majority leader had been at our caucus luncheon yesterday when we debated whether we would vote against the cloture motion to proceed on this bill. The consent of our caucus was, no; we welcome a debate on taxes. We welcome the opportunity to move forward and discuss our two visions of how we need to revive this economy.

So let's not use parliamentary tricks or a parliamentary procedure to avoid that debate and to avoid a vote on the President's proposal. We realized there was the opportunity for the majority leader to use parliamentary tricks and procedures in order to deny us the opportunity to offer our own version of what we thought we should do with our Tax Code and provisions, particularly as it reflects this particular tax on small business, but we welcome the opportunity to come and debate that and work through it and, hopefully, make an offer that is acceptable.

So the minority leader came down here this morning and turned to the majority leader and said: We are going to give you your vote. We are not going to use parliamentary procedures to prevent you from having an opportunity to vote on your proposal, the President's proposal.

By some tortured way of opposing this, the majority leader essentially said: There you go again. Republicans are filibustering. I think we all just sat here with our mouths agape saying: Have we missed something? We are offering to give you your vote.

Now, it is clear this center aisle—not completely—divides us in terms of how we think we should go forward in dealing with this very sick and anemic economy. There is probably pretty close to a consensus that tax reform needs to be an essential part of what we need to do.

In a bipartisan way, Senator RON WYDEN, a Democrat from Oregon, and DAN COATS, a Republican from Indiana, have been working for 1½ years now on something that was started with Senator Gregg, who is now retired from distinguished service in the Senate but worked with Senator WYDEN for 2 years in putting a package together, a comprehensive tax reform package. It is the only plan out there that has been written, scored, and is available for debate and available to the tax-writing committees to use as a basis—or foundation or parts of it or all of it or whatever—in forming their own version to bring forward. But there is a bipartisan consensus that we ought to move forward on comprehensive tax reform.

Senator HATCH, our Republican leader in the Finance Committee—which is the committee responsible for writing that bill—has said piecemeal is not the way to go. Anybody who has analyzed our current situation understands that comprehensive tax reform is the best solution. But even Senator HATCH agreed, in this instance, given the situation we now face, he would accept going forward with a short-term proposal that would give us 1 year to put together a comprehensive tax reform package. The last one occurred in 1986, so long past time we overhaul the Tax Code. With all the credits and subsidies and additions and addendums to the current Tax Code, it is complex beyond anybody's ability to fully understand. And it isn't fair. It favors some at the expense of the many. In many cases, there are special credits and tax breaks that go to a single industry. So we need much more fairness across the board, and that is what Senator WYDEN and I attempt to do in our proposal.

The word ''fairness'' is thrown around here as a condemnation on the Republican Party's ability to achieve bipartisan consent, but if we want to talk about fairness, let's talk about what just happened here. It was imminently fair for the minority leader to offer the Democrats a vote on the President's proposal. All we asked in return was an opportunity to present, debate and vote on our proposal.

What is amazing is that the Democratic Party controls the Senate. They have the votes to pass the President's proposal. So in the end, if they voted in unison with the President, their proposal wins. If we vote and we come up short, we lose.

Obviously, there must be a reason they don't want that vote. They don't want an alternative presented to them because they must fear they would lose votes on their side of the aisle for the President's proposal, and we would gain votes from them on our side. It has happened in the past, and apparently that is the decision they made.

But this torturous explanation of how this could be a Republican filibuster—if they can spin this one at the White House and at the press conference today, or if they can spin this through the press, they are not listening or understanding what is actually going on here.

What is going on here is a decided attempt by the majority leader to protect his party from having to take a vote for or against. If the American people want anything out of this body, and if they are disgusted with anything that comes out of this body, it is when people go home and say: Well, we didn't have a real vote on that. There was a procedural this or that and it got stopped here or modified there or the others tied up the legislative tree.

What in the world does that mean to most people outside of this body? They used some procedural way to avoid a real vote.

They want our yes to be yes and our no to be no, and we are offering to the Democratic leader that opportunity. Let your yes be yes and your no be no on the specific bill before us, and then go home and explain to your people why you voted yes or why you voted no. Then they can decide in this democratic process whether they want to send you back or send somebody else back for you.

The American people aren't getting that kind of clarity right now, and it is no wonder they are disgusted with Congress. It is 10:00 in the morning when we are talking about this. If they get a fair treatment in the press over what happened this morning, they will fully easily grasp and understand that what was proposed by the Republicans was nothing but fairness, and what was proposed by the other party was nothing but unfairness.

What could be more fair than giving each side, in a divided vision of how we should go forward, their opportunity to debate what they believe in and to call a vote for it? Particularly from the party that has the votes to win and the party that has the votes not to win, why not have the vote? What have you got to lose? Unless you think you are going to lose your own people or not want to put them on the line for having a yes or a no recorded clearly before the American people.

I have diverted from what I was going to say this morning. I was just so amazed by what took place down here I could not help but comment on it.

We will see how this all gets spun out by the White House. We will see what is the next diversionary tactic they use to stop us from talking about the No. 1, No. 2, and No. 3 issue facing this country; that is, this anemic economy. Eighty thousand jobs? Only eighty thousand jobs created in June. People say we are on the right track? That doesn't even replace the number of people who are retiring, let alone add new jobs. How many college graduates this spring are living in the basement of their parents' home? That has happened now for more than 3 years. There are millions, 12.7 million people who woke this morning with no job to go to. There are many more who woke to go to jobs far below their abilities or training. So 80,000 jobs, let's put this in perspective. It is far below what we need just to break even, just to give anybody a new shot and a new chance.

We have had 3½ years of the policies of this administration which have not improved the situation and, in fact, some have said are making it worse. We all know we have come through a tough time. We all know just sticking the blame against one side or the other is not the solution. The solution is to find how to put sensible policies in place that will get this economy moving again. One of those policies is comprehensive tax reform.

Once again, I bring up the Wyden-Coats bill. It has been out there. It is written. It is scored. It is available to take up right now if that were the case, but because the tax-writing committees have the jurisdictional right to have a say and because it is a complex process, they would like some time to put it together.

The proposal of Senator HATCH, eminently fair, is to basically say let's not put a bandaid on the Tax Code now with something that is not going to make much difference at all and, in fact, we believe, will negatively impact small businesses around the country.

I had a small business group in my office yesterday basically saying the President only talks about the middle class. That is whom I hire, they say. That is who is working in our business. If they put a tax on me, the owner of the business, actually it is a tax on the business—the passthroughs, the noncorporations that exist here where, from a tax basis, everything flows through to that individual taxpayer. They say I am the guy who owns the business. I am the guy who makes the decision on hiring. I am the guy who has to put the health care plan together. I am the guy who hires the people and pays the people. If government taxes me more, I do not have the same flexibility to hire, expand or buy equipment or expand my factory or hire more people.

Yes, the White House can go out and spin it like I am a rich guy, but because I have chosen a certain way in order to form my business—not as a corporation—I am taxed in an entirely different way than corporations. But if you go out and say we are giving the middle class a break—and we are hurting the people who employ the middle class and you are raising their taxes—you are hurting the middle-class people. The very people the President says he is trying to protect, he is hurting by raising this tax. The President himself said in his campaign and throughout his Presidency: The worst thing you can do is raise any taxes during a time of economic distress.

I do not care if you are Paul Krugman or if you are the most conservative economic analyst out there, there is a widespread consensus that the last thing you do is raise taxes at a time of a stagnant economy, a recessionary economy. It is the last thing you do.

DAN COATS just said that, respected economists on the left and right said that, and even the President of the United States said that as a candidate and throughout his Presidency. In 2010, the President said the last thing we should do is raise any taxes. Now he has turned around to say let's tax up to 1 million small businesses because obviously they can spin that and play that in what sounds like a politically opportune way.

It is a direct contradiction coming out of the mouth of the President, out of the mouths of others. It is simply an election year political class division ploy to divert from the miserable record under this administration, in terms of dealing with this economy. Frankly, if they know—we can hardly conclude anything, but they just do not know what they are doing. But even if they know what they are doing, their policies have not worked.

Whether it is Republicans or Democrats, if they have done something for 3½ years and it has not worked, isn't it time to look at a different set of policies? That is what we wanted to debate, but the majority leader is not allowing us to debate. In some excruciatingly, twisted way, he is saying Republicans are trying to prevent us from going forward. It boggles the mind.

I will stop with that and yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts.

STOLEN VALOR ACT OF 2011

Mr. BROWN of Massachusetts. Madam President, I have enjoyed the previous speaker. It was very interesting.

I wish to shift gears and talk about S. 1728, the Stolen Valor Act of 2011. As many know, the Supreme Court recently struck down the Stolen Valor Act of 2011 by saying that lying about military awards, records, and service is protected by our first amendment rights. The Court has ruled. But let's be clear, it is wrong and cowardly for people to make fraudulent statements in order to receive distinctions they have not earned. Let me say that again. It is wrong and cowardly for people to make fraudulent statements in order to receive distinctions they have not earned.

As a 32-year member of the Army National Guard still serving, I feel very strongly about this issue, and I believe we need a Federal law to punish those who seek to benefit from making false claims and steal the true valor of our heroic men and women in uniform. My bipartisan, bicameral Stolen Valor Act of 2011 reminds me of the bill we worked on, the insider trading bill. We have an opportunity once again to send a powerful message to the American people that in the middle of the gridlock we can work together on something that makes complete sense. It addresses the Supreme Court's change by making a key change in order to protect first amendment rights. It would punish individuals who deliberately lie about their military service, their records or honors, with the intention of obtaining anything of value.

The key term is ''of value.'' One actually gets something of value as a result of their misrepresentations. Again, the new Stolen Valor Act makes it a Federal crime to lie about military service in order to profit or benefit, and that is the key distinction.

Yesterday, Congressman JOE HECK of Nevada and I—he is the lead sponsor in the House version of the bill, I in the Senate—held a press conference to start a fresh campaign to pass the new Stolen Valor Act. We had wonderful results. Within a few hours of that press conference, we gained 27 new cosponsors in the Senate, making a total of 29. I encourage the Presiding Officer and others on her side of the aisle to get involved in this very real effort to help our heroes who have served legitimately. Congressman HECK also has 67 bipartisan cosponsors in the House.

Also, yesterday, the Pentagon announced they will take a major step to deter con artists by establishing a searchable database of military awards and medals to confirm, in fact, that the person with whom one is dealing or speaking with is, in fact, deserving of the medals and honors they received.

It is clear this cause has momentum and the Supreme Court decision has given many a sense of urgency and clarity. In fact, today I wrote President Obama to ask for his public endorsement of the bill, very similar to the day he was walking up the aisle after the State of the Union and I said: Mr. President, I have a bill on HARRY REID's desk on insider trading. Let's get it out. He said: I will; I will get it out.

He can do the same here. He can give his public endorsement of this very important bill, and I am hopeful the Commander in Chief will lend his endorsement to this cause, to show leadership on this issue and give his blessing so we can actually get to work on legislation that will truly pass, I venture 99 to 0, in this Chamber. His voice would join several military organizations that endorsed the Stolen Valor Act of 2011: the Military Officers Association of America, the Association of the U.S. Army, Military Order of the Purple Heart, and the Iraq and Afghanistan Veterans of America.

As bipartisan support of this effort grows, I ask my Senate colleagues who have not cosponsored the Stolen Valor Act of 2011 to get on board. It is time. It is time to send a very powerful message to the men and women who have served with dignity and honor that we respect that service and we are tired of the frauds who are out there perpetrating fraud and wearing medals and receiving honors to which they are not entitled.

If we choose to come together and pass this legislation, we can respond immediately to the Supreme Court's ruling with the urgency this issue deserves. It is very similar to how Senator MCCASKILL and I, in the middle of the gridlock a couple years ago, passed the Arlington Cemetery bill. We can do it with this legislation as well and send a message to the American people that we can work together and that unified message will protect the valor of our heroic veterans and servicemembers who defend our freedom and serve our country with the greatest of honor.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Texas.

Mrs. HUTCHISON. Madam President, I ask unanimous consent that I be allowed to speak for up to 10 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mrs. HUTCHISON. Madam President, I applaud the Senator from Massachusetts for introducing the bill. He is trying to make a constitutional way so those who have done the service for our country and earned the medals are assured that those medals mean something and cannot be in any way misrepresented without a consequence. I thank the Senator from Massachusetts.

TAX POLICY

I rise to talk about this week's issue, which is taxes on our Nation's small

businesses. Small businesses are the economic engine of America. It is not big business. Jobs are created by small businesses that grow and become medium-size businesses. They are responsible for driving most of the job growth in this country. Fifty-five percent of private sector jobs are created by small business. Punishing them with new taxes in a time of economic stagnation is incomprehensible. It is incomprehensible.

This tax that is suggested by the President on those who make $200,000 to $250,000 or more will affect small business, make no mistake about it. I have been a small businessperson, and I know if someone is paying all the expenses they are paying, if they are taxed as an individual in their small business, they are not going to be able to hire new people—not with what is looming next year in increased taxes. Even the talk of it is part of the reason we have the stagnation we do.

Seventy-five percent of the small businesses in our country pay taxes at an individual rate. They are organized as flowthrough businesses: Partnerships, S corporations, LLCs, and sole proprietorships. Fifty-three percent of all flowthrough business income will be subject to the top two individual income tax rate increases subject to take place in 2013. Even our talking about tax increases is on the minds of our small businessespeople. It makes them very nervous.

We have an already uncertain environment. Hiring is stalled. We have been strangling growth in our country and the hope of recovery is not there. The first round of taxes in the health care law the President's party and the President passed will kick in, in 2013. I do not want to have to go back to the small business owners whom I have just visited with last week all over my State and say: Yes, it is true. You are going to have the taxes involved in the health care plan that will take effect in 2013 and your taxes are going up because you are going into a higher bracket, and if the President has his way, the rates are going to increase too. That is not the message anyone in this body should want to take back to their home States and I do not want to go back to the hard-working employees and customers and tell them the same thing because it will not be just small business owners caught in the net of higher taxes, every American is going to see their taxes increase if they are paying taxes today.

We have a cliff. Everyone around here is talking about the fiscal cliff. It happens on December 31 of this year. Taxes will automatically go up on January 1. Everybody will go into a higher bracket. We will lose the marriage penalty relief we have had. We are going to see tax increases on the middle class, and it is going to be steep. Approximately 31 million Americans will be hit for the first time with the alternative minimum tax. Most people know the alternative minimum tax was enacted in 1969 to target a few hundred millionaires in America to try to ensure that those millionaires paid a tax. Well, guess who qualifies next year if we don't do something. A single person making $33,750 and a married couple earning $45,000 will be considered as not paying their fair share of taxes. That is outrageous for this Congress to let that happen. We must work with the President to ensure that those steep tax increases do not take effect.

The tax increases, the astronomical debt we face, and the persistent high unemployment rate have come together to create a perfect recovery-killing storm. And if this weren't enough to send our economy into permanent hiding, we now have the dubious honor of having the highest corporate tax rate in the world at 35 percent. We used to be second, but Japan had the good sense to lower its rate earlier this year, so now it is America that holds that dubious honor.

This is not a recipe for growth. Is it any wonder that we have a recurring over 8 percent unemployment rate in this country? If we don't do something before the end of this year, those who are employed are going to pay more taxes next year, and for those who are not employed, it is going to be harder to find a job. So what is the answer? The answer, as we all know, is for this Congress and the President to do something before the election.

Now, Senator REID has introduced a tax bill. It is a bill that will provide two temporary tax credits, but a 1-year temporary tax credit is really not enough. Many of us voted in support of the motion to proceed to this bill because we would like something to start with, and I hope the majority leader is going to allow amendments because there are many amendments for us to try to cobble together a bill that will really make a difference in our economy. So it is a start, and I am going to give the leader credit for that.

A real long-term solution is what business is looking for. If we have a 1-year tax credit, we are going to get a 1-year plan, and a 1-year plan is not going to encourage people to be hired. It is not going to encourage employers when they see a 1-year plan and know that Congress is going to do what it has done so often; that is, get to the last of the year and then cobble something together that will perhaps last a year. Maybe it will be the same or maybe it won't. That is not the way business works. They have to plan. They have to know what they are going to have in the next 5 years in expenses so they know what they can produce and what they can charge. That is the private sector.

We should be focusing on the underlying issue. It should be tax relief and tax reform. We can alleviate the employers' conundrum and get them to start hiring if they know what to expect, and a 1-year fix will not do it. We need long-term tax reform, we need to address the looming debt, and we know it. We know what the fiscal cliff is.

I would like to read a letter I received in answer to a congratulatory note I wrote to the former football coach at Texas A&M, R.C. Slocum, who is one of the finest men I have ever met. He is exactly what America is. He was just inducted into the College Football Hall of Fame, and I congratulated him sincerely because he is the kind of person we want coaching our young men in football.

Well, he wrote me back, and I am going to read an excerpt from his letter. He does the niceties of thanking me for writing him, and then he says:

> I am really concerned that the America that you and I grew up in is being attacked from within. Although I grew up in a poor family, I was taught that I was privileged because I was born in America, the land of opportunity. We did not begrudge the ''rich'' but was encouraged that through hard work and education, some day we could be one of them. Thankfully, I was not taught that it was someone else's fault that we were poor or that government would, or should, come bail us out. We worked our own way out and felt the great feeling of accomplishment that goes with it. In my career as a coach, I encouraged my players to try the formula I was given. It still works and I am so proud of the young men that have dramatically changed their lives, and with it the course of their families' lives.

That is what America is, and that is what we ought to be working to achieve.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Colorado.

ORDER OF PROCEDURE

Mr. UDALL of Colorado. Madam President, I am here on the Senate floor to highlight our country's clean energy future.

Mrs. BOXER. Would the Senator yield for a unanimous consent regarding time?

Mr. UDALL of Colorado. I would be happy to yield.

The ACTING PRESIDENT pro tempore. The Senator from California.

Mrs. BOXER. Madam President, I ask unanimous consent that Senator UDALL proceed for 6 minutes, that I proceed for 12 minutes, and that Senator MANCHIN proceed for 12 minutes.

The ACTING PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

The Senator from Colorado.

PRODUCTION TAX CREDIT

Mr. UDALL of Colorado. Madam President, I am here on the floor, as I have been for a succession of morning speeches, to talk about the importance of extending the tax credit for wind power. If you look in every corner of our great country, the production tax credit has resulted in good-paying jobs for Americans—jobs, I might add, that can't be exported overseas.

I have taken a tour of the country. This morning I wish to highlight the beautiful State of South Carolina.

South Carolina is one of the few States that do not have installed onshore wind power, but that has not stopped South Carolina from attracting literally dozens of manufacturers

that support 1,000 good-paying wind energy jobs across the State.

As we look at this chart of the State of South Carolina, we can see that the green circles acknowledge the manufacturing facilities that built components for wind turbines. Nearly every component in a wind turbine is built in South Carolina.

I wish to highlight Greenville, up here in the northwestern part of South Carolina. GE has a facility there, and they have designed the 1.5-megawatt wind turbine that is a hallmark of GE. That facility supports more than a dozen suppliers and hundreds of jobs across the State.

One of the most exciting ventures outside of manufacturing that is going on in South Carolina is the massive investment that has been made in innovation. In 2009 Clemson University won a $45 million grant from the American Recovery and Reinvestment Act and the Department of Energy for the construction of a brandnew facility that will be the largest wind turbine testing facility in the world. In that facility, they will test cutting-edge drivetrain technologies for the next generation of wind turbines.

Now, South Carolina has doubled down on that support of wind innovation. The university donors and other partners have joined Clemson and have come up with another $53 million to supplement the $45 million that came through the Recovery Act. That is $98 million that will be an investment in South Carolina's economy and in our wind energy future.

So not only will there be good-paying jobs created at this wind turbine drivetrain testing facility, but this facility will be a global leader in developing wind turbines capable of 3 to 10 times as much power as wind turbines today. I was under the impression that wind turbine technology had matured and that we had wrung out every electron possible. I have been told we can increase the yields by 3 to 10 times through this kind of research. This facility will focus on onshore and offshore wind turbines. So this is crucial research.

We know in Colorado that the presence of top-notch research and development institutions attracts incredibly talented individuals and often results in the creation of new companies that commercialize the new and innovative technologies developed in these R&D facilities. I know that in the Presiding Officer's State, that is a formula for success. When we make the investments such as South Carolina, Colorado, and New York are making, we draw top-notch resources that are able to exploit in a responsible way natural resources.

The grant I mentioned combined with the research dollars that have come from the private sector represent an enormous opportunity for South Carolina and for our country in turn. We already see millions of dollars that have been attracted into South Carolina from global investors because they see the potential of what is going to happen at Clemson.

The point I want to make is that if we don't extend the wind tax credit, the PTC, then these wind manufacturers may not have the wherewithal, frankly, to team up with Clemson, to commercialize the new technologies that will be developed in South Carolina, and then the jobs that follow won't be created. That just doesn't make sense. South Carolina and Clemson are going to be global leaders in the development of these new technologies.

The question is, Where will these new turbines be built? I know, for one, that the Chinese would be happy to step in and take away our manufacturing jobs. But if we get our act together and extend the PTC, then these wind turbines will be built here in America. They will be built in South Carolina, they will be built in Colorado, and they will be built in Pennsylvania. They will be built all over our country in literally every corner. But if we let the PTC expire, we risk shipping this industry and our good-paying jobs overseas.

Coloradans keep telling me—and I know in the Presiding Officer's home State as well—that there is no reason to outsource these jobs. There is no reason to outsource energy production, and there is no reason to handicap a growing industry that has helped make us and our country more energy independent. Let's pass the extension of the PTC today. Let's create jobs today. Let's build this clean energy economy. Let's pursue an all-of-the-above strategy. Let's do it here in the United States, and let's do it now.

Madam President, thank you for your attention and your interest.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from California.

Mrs. BOXER. Madam President, was there any time remaining for Senator UDALL?

The ACTING PRESIDENT pro tempore. He used 6 minutes.

TAX POLICY

Mrs. BOXER. Madam President, I rise to talk a little bit about health care and what it would mean if the Republicans get their way and take away so many benefits for millions of people. But before I do, I would like to respond to Senator HUTCHISON's remarks on taxes.

President Obama has called on us to pass a tax cut for 98 percent of the American people. That would not be for millionaires, but for the middle class. It is not for billionaires, but for the middle class—98 percent. He said anyone earning up to $250,000 will get a tax break. As a matter of fact, he said all income under $250,000 will get a tax cut. Only income over $250,000 would go back to the tax rates of Bill Clinton. Let me remind everyone that in those years we had 23 million new jobs created and a balanced budget, and we never had more millionaires created in one period of time as we did then because it was a fair tax system.

President Obama has asked us to give a tax break to everyone on the first $250,000 of their income and after that go back to the rates under Bill Clinton. That includes 97 percent of small business owners. When we hear the Republicans get up and say: Democrats want to hurt small businesses, Democrats want to hurt the job creators, our position is that 97 percent of small business owners agree with the President—they should get a tax break. If you earn over that $250,000, which is a few percent, pay the fair share that we paid during the fabulous economic growth period when Bill Clinton was the President.

Why do we feel it is important that we say 98 percent and not 100 percent of taxpayers? Because we have a deficit issue. We have a debt problem. We want to get back to the days of balanced budgets, and we will get there, if everyone pays their fair share.

So let's be clear. All of those tears being shed on the other side are being shed for people such as Donald Trump. Isn't it unfortunate that a man such as Donald Trump, who was able to catch the dream to the ultimate—and all right, we want that for everyone—has to pay just a little bit more? At a time when people are taking their money out of this country and putting it in Swiss bank accounts and Bermuda accounts and accounts in the Cayman Islands, it is time for everyone to have a little patriotism here. We have to have the greatest country in this world, and that means the strongest military in the world; that means the best roads and bridges in the world; that means a strong education system. We want to wipe out cancer, AIDS, and Alzheimer's. That means a strong medical research system. We need everyone in America to do their part.

My dad was a CPA. We were very middle class—lower middle class, I would say. I started working in little jobs when I was 16, 17, and I got mad. I hate to age myself, but the minimum wage was quite low then. It was in the cents. It was around 75 cents an hour or something. I remember saying, Why do I have to pay anything to the government? I don't want to pay anything. My father would say to me, You kiss the ground you walk on because you live in America, and we have to have things in this country to make us great. And don't you ever forget that, and don't you complain about it. He also said, You make sure it is spent right and you make sure you have a voice in it. But this country needs to be strong. So to have millionaires and billionaires take their money out of America and hide it in accounts in other countries is not something I would be proud of. We should invest our funds here and everyone should pay their fair share.

HEALTH CARE

Here is the deal. The Republicans have said if they take over all of the branches of government, which is their

goal, on day one they are going to repeal ObamaCare. They are going to repeal our health care law. It reminds me of this: If I were to say to the Presiding Officer, meet me on the corner at 6 o'clock tonight and I am going to punch you in the nose, hit you over the head, and leave you there, she might rethink meeting me. She might say, you know, BARBARA, that is not something to look forward to. Well, let me say this to the millions of Americans who are already receiving the benefits of ObamaCare, which I will describe: You are about to be hit over the head and punched in the nose, if the Republicans take over Washington, DC. That is their goal, to take over the Senate, take over the Presidency, and keep the majority in the House.

Let me tell my colleagues why I say this. Here are the benefits that are in jeopardy—not in jeopardy from repeal; they will be repealed: Free preventive services which have already begun: Cancer screenings and immunizations for those people who have private insurance. Fifty-four million people are going to be punched in the nose and hit in the head, if the Republicans take over and they repeal health care—on day one. They are trying to do it today over in the House for the 31st time.

Prescription drug discounts for seniors who are in the doughnut hole. Fifty-two million seniors have already saved $3.7 billion. They are going to be hit in the head and punched in the nose on day one—not even day two—of a Republican takeover.

Free preventive services for seniors. We have 32.5 million Medicare patients who get free screenings now—32.5 million. That is almost as many people as live in California who will be hit in the head and punched in the nose on day one—not on day two or three, but right away.

Protection against lifetime dollar limits. Right now, people think they have a good health care insurance plan. If a person gets, God forbid, something such as cancer and they have it checked out and find out the limit is $½ million, maybe $1 million, maybe even $2 million limit—they don't know how fast that limit comes and then they are out of insurance. So now 105 million Americans who had limits on their policies no longer have limits. Well, if the Republicans take over, punch in the nose, hit in the head, they are finished; they are out.

Young adults who can now stay on their parents' plan up to age 26—6.6 million young adults—are out of luck on the first day of a Republican takeover.

Let's go to the next chart. Limits on the amount of premiums health insurance companies can spend on administrative costs. Right now, 12 million Americans-plus are going to receive a total of $1 billion in rebates because, under ObamaCare, the insurance companies have to spend the money on patients—80 percent—not on their own perks, not on their bonuses, and people are going to get checks in the mail. So I say to these 12.7 million Americans: I hope you are listening, because on day one, no more rebates.

Tax credits to help small businesses purchase health insurance. We hear about how the Democrats don't care about small business. How about this: The 360,000 small businesses who insure 2 million workers have gotten tax credits, right now—right now. We see the crocodile tears over there, yet they want to repeal a tax break that is helping 360,000 small businesses.

If a child is born with a preexisting condition, let's say some heart defect, and that child can't get insurance. Today they can. Guess what. Seventeen million children benefit from this protection right now. Seventeen million of the most vulnerable people now have protection because of ObamaCare. But if the Republicans take over, these little babies are out—out of luck—and their parents will probably have to go on welfare. Great. Meet you on the corner, be there, vote for me, and I will punch you in the nose and hit you in the head. That is what is going on.

Funding for new community health care centers and expansions. Already 3 million patients have been helped by this. The fact is we have seen funds go to these community health care centers in our communities, so whether a person has insurance or not, they can drop in to a health care center. It is particularly important in rural areas where they have very little access.

I just talked about what happens already. Now, in 2014, we set up the health insurance exchanges so there is competition and people can get cheaper insurance. The preexisting condition benefit will then apply to everybody, so if you have a preexisting condition and you are an adult, you can still get health care.

Women will get protection. Women have had to pay twice as much as a man for insurance. That is discrimination. That will be banned starting in 2014.

There will be protection against arbitrary annual limits on the health care benefits people can get. Sometimes people have the ability to get health care coverage, but it is capped every year. No more artificial caps.

Finally, we will say that health insurance plans have to cover essential benefits such as maternity care. Many plans will not cover maternity care. That is over.

So then people say, Well, how is this reform paid for? The Republicans say taxes will go up, deficits will go up. The CBO has told us that this is actually a reducer of the deficit by tens of billions of dollars. As a matter of fact, it reduces the deficit by $127 billion over the next 10 years. How is it that ObamaCare saves money? It is because we invest in prevention. Everyone within the sound of my voice knows that if a woman gets an annual mammogram and it indicates a very tiny start of a breast tumor and the patient gets that tumor out at an early stage, they have avoided the worst consequences and it is way cheaper than waiting until the end when a patient needs radiation, chemotherapy, all of this tough medicine that is also expensive.

I ask unanimous consent for 1 more minute.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mrs. BOXER. How else do we pay for this? We cut out waste and fraud in Medicare. We say to the health care industry: You make a lot more money and you have to pay a little more, and they will.

Then there are the free riders who say, I will never get sick, and if I do I will get free health care at the emergency room. We finally say to them, as they did in Massachusetts: Those days are over. If you can afford it, you need to get a basic policy. By the way, it is a tiny percentage of people. It is 1.4 million people. I think it is less than 1 percent of the people who will have to get insurance because the rest of us are paying $1,000 a year to cover these people. So no more free rides. We all work together.

I will close with this. Watch out in this election who you vote for. If somebody tells you they are going to repeal health care, that means all of these benefits go out the window. All of this deficit cutting goes out the window. The Supreme Court said it is constitutional, and it is.

I want to make this point: Don't vote for people who will punch you in the nose, hit you in the head, and walk away from you. I think the choice is between those who will lift people up and make life better for people and their families and those who would go back to a system that was so harmful for our families.

Thank you very much, Madam President. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

POWER OUTAGES

Mr. MANCHIN. Madam President, I rise this morning to address a situation that is very hard for me to believe, and I am sure for many of my colleagues, and maybe the Presiding Officer as well. It makes no sense to the people of our great State of West Virginia.

For nearly 2 weeks, hundreds of thousands of West Virginians have been deprived of basic necessities such as water and electricity because of massive storms—not just West Virginia but up and down the east coast. At the peak of the outage, FEMA estimates that 688,000 West Virginians didn't have power. That is a third of our State. One-third of our State was completely knocked out. Hundreds of thousands of people had to throw away all of the food in their refrigerators and freezers because of the lack of electricity.

Our National Guard and first responders did a superb job of keeping

people safe. But this country learned just how vulnerable and inadequate our infrastructure is and how much we have come to depend on it. Up and down the east coast, our electrical grid was crippled by this storm because there is no backup plan—none whatsoever—that could keep the vital necessities of life running during these horrific storms.

The fact is we have to invest in our Nation's infrastructure. We all talk about it but still very little is being done. Power outages cost this country between $79 billion and $164 billion every year. That is because on top of powering our hospitals, our nursing homes, and our schools, reliable energy underpins our economy and keeps Americans at work.

I know there are other needs around the world, but seeing firsthand how vulnerable our system is, I was so surprised—and the Presiding Officer might be also—and disappointed to hear yesterday that the U.S. Army Corps of Engineers is making a massive investment in power infrastructure in another country by awarding a $94 million contract to provide—listen—reliable power in Afghanistan. So I thought: How will I explain this back home? We are providing reliable power to the Afghans when nearly 200,000 West Virginians spent an entire week without electricity, lost all of their food, and suffered through nearly 100-degree heat during this period of time, when our country is losing tens and hundreds of billions of dollars because of power outages all over the east coast? As of 6 p.m. yesterday—this is more than 12 days after the storm—we still have over 30,000 people without electricity.

I cannot count the number of times I have come to the floor of this Senate Chamber to say it is time to start rebuilding America and not Afghanistan. But in all my time in the Senate, I have not seen a starker example of misplaced priorities. It is wrong to invest in reliable power for the Afghan people when tens of thousands of not just West Virginians but Americans all over this country have been without power for nearly 2 weeks because our infrastructure is so vulnerable.

In fact, in our State, too many people still don't have reliable water. When the power goes out, the water systems can't purify the water. In McDowell County in our southern coalfields, FEMA expects it will be another 2 to 3 weeks before our water service is restored to the customers in the Northfork public service district. Let me repeat that. They will go another 2 to 3 weeks without water, a basic necessity of life. That will be a full month after the storm without one of life's basic necessities.

Something is truly out of balance. It has been almost 2 weeks since a storm of unprecedented strength hit our State. How can I look the people of my great State of West Virginia in the eye when our infrastructure is so poor that they do not have reliable power or water but still tell them we are investing in transmission lines to provide reliable power to Afghanistan? It just does not make sense.

According to the Congressional Research Service, the American taxpayers have already spent more than $9 billion—$9 billion—on infrastructure projects in Afghanistan, including the costs of reconstruction assistance, diplomatic security, and activities by non-Department of Defense agencies. This is in addition to the $551 billion we have spent on military operations. And that does not even begin to address Iraq, where we have spent at least $5 billion on electrical systems and $61 billion total on infrastructure projects, according to the Special Inspector General for Iraq Reconstruction.

Still, when we take a closer look at the project that was announced yesterday, the facts are even more disturbing. The Army Times reported that the Corps' awarding of $93.6 million to improve electrical transmission from the Kajaki Dam power station throughout the Helmand Province of Afghanistan includes burying transmission lines—burying transmission lines which we do not even do in America—and providing backup generators—which we do not have, which is why we have lost our water systems and our food.

But believe it or not, the people of the United States already paid to build the Kajaki Dam powerhouse in the 1970s. I am going to quote from this article from the Army Times.

Because the entire electrical system has largely been neglected—

Neglected—

due to decades of war, Afghan and U.S. agencies are partnering to increase power generation and distribution to solve the severe lack of electricity in the region.

Trust me, in West Virginia we can understand the severe lack of power.

This facility was not maintained in the 1970s. It was not maintained in the 1980s. It was not maintained in the 1990s. It is still not being maintained. What makes us think it is going to be maintained now that we are spending millions and millions of dollars?

This is only one small piece of an even more costly contract to bring electricity to southern Afghanistan. The $93.6 million contract is the first of six integrated components collectively called the Kandahar Helmand Power Project, a USAID initiative to expand the electrical distribution system of two provinces in southern Afghanistan, with a combined estimated population of 1.7 million. That is short of the population of my home State of West Virginia. We are about 1.8 million.

It is one thing to help another country with loans—which I am all for—that will help them get back on their feet so they can repay their debts, but it is another thing entirely to pour billions of taxpayer dollars into another country for a decade with no chance of any repayment to this country and to the taxpayers of the United States of America. Something is wrong with that.

I cannot say it enough: If you build a bridge in West Virginia, we will not blow it up. If you help us build a school, we will not burn it down. We are very appreciative. We appreciate the help of all American taxpayers because we are part of this great country. If you help us invest in a more reliable electricity system, we will use that power to make this country stronger, to power this Nation's economy, and to provide good-paying jobs all over this country.

Not only that, the scope of the problem with electricity infrastructure in West Virginia is tremendous. According to the National Energy Technology Laboratory, power outages in West Virginia take four times longer to fix than the national average. We have been blessed with so much beauty, but we have kind of a challenging topography, if you will, and it makes it much more difficult.

If we modernize our grid to make it more flexible and reliable, we can make a return on investment of up to $6 for every $1 we invest, according to studies from both the Electric Power Research Institute and the National Energy Technology Laboratory. Instead of investing that money in Afghanistan, doesn't it just make sense to invest it here at home? And we will start right in West Virginia if you like.

Madam President, I would feel the same if this was in your State, if it was in any other State in the country. This might have been a ''once in a lifetime'' storm, one where millions of people lost power no matter how well we prepared, but the fact that tens of thousands of West Virginians are still without power and water is a sign that we must do better as a country.

This could have happened to any State—whether it is a storm, an earthquake, tornado, fire, flood, or a hurricane—and I hope that my colleagues in the Senate would share my feelings. We cannot help others if we do not make and keep ourselves strong. We are beginning to neglect our very real needs at home.

As West Virginians, I am proud to say we are a strong people. We are able to pick ourselves up faster than most, and we go to the aid of our friends and neighbors who need it most—even though we are in need ourselves. But when you go to a filling station and the sign says ''cash only,'' and then you find out that the banks are closed because all the power is down, and the ATM is out—we are changing and transforming our whole monetary system, but there is no backup plan—what do you do? We have a problem. We truly have a problem. But I know we can fix it because we are Americans.

That is why it is time to rebuild America and our infrastructure, not Afghanistan or other places of the world. Let's make ourselves strong again so we can help people.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Alaska.

Mr. BEGICH. Madam President, first, before I make my comments—I want to talk about the Small Business Jobs and Tax Relief Act—I want to say to my friend from West Virginia, I know they are struggling under incredible issues—even before the storm that occurred. I know he has efforts he is doing to build infrastructure, and his statements are right on the mark.

In western Alaska, 40 percent of the communities do not even have water infrastructure. It is not a question of rebuilding it; they do not have it. So I recognize the Senator and his great work for West Virginia, making it a better place. His points are well thought out and right to the mark about what we need to do to rebuild this country. A good part of all that is it is about American jobs, American workers building those water and sewer lines and putting those transmission lines back up—whether they be above or below the ground.

So, again, I commend the Senator for his work in West Virginia.

Madam President, I have come down to talk about the Small Business Jobs and Tax Relief Act. I come from the small business world. I know people come down to the Senate floor on the other side of the aisle and talk about being from the small business world. I always like to look and see what that really means. It is always amazing to me.

When someone is from the small business world, here is what it is really about: It is not about working for some corporation, having a nice title, not really worrying about making it from day to day or worrying about a payroll. At the end of the day, if the business is not good, they do not get a check. That is how it works in the small business world.

So when I hear people come down and talk about small business, it surprises me, to be very frank, the lack of understanding, the lack of knowledge they have about the small business world. I have been in it from the age of 14. My wife has grown a business from serving and selling smoked salmon on the street corner to now, having a couple retail stores and doing very well. But she has struggled just like everyone else. She has had to deal with the bureaucracy. She has had to figure out how to raise the capital, put retirement money on the table, maximize her credit cards—do everything possible to take her dream and make it a reality, just as I have done for all my years in the small business world.

So I come here not just as a Senator from Alaska, representing Alaskans and small businesses, but also as someone who has lived it, worked it, and understands it. We have a chance—and I appreciate the 80-to-14 vote to let us proceed to this bill, which is the Small Business Jobs and Tax Relief Act. This is an important bill. It has two components that seem simple in a lot of ways but have great impact.

First, I want to mention the idea that you can get a tax credit for hiring people. Some say, well, small businesses will not use a tax rate just to hire people. I, maybe, agree to a certain extent on that, but why is this important? If you are a small businessperson and you are going to increase your payroll—maybe you are giving raises or bonuses, and so forth, or you are going to hire part-time or full-time people, if you hire those people—and just a clear example is if your payroll is $200,000, and your payroll goes up by $20,000 to $220,000, you will get a tax break of 10 percent, which is $2,000.

What will that small business do with that $2,000? In a big business that just gets lost in some pile. Maybe it goes to some corporate salary. But here is what a small businessperson will do with it. They will get that $2,000, and they might now go recarpet their lease-hold improvement or their rental space they are using for their small business.

What does that mean? That $2,000 now goes to the carpet layer and the carpet seller. What will they do with it? They will put it into the next part of the economy. It just keeps moving much quicker and faster in the economy. As a matter of fact, every $1 we see out there has a multiplier effect that is pretty significant for small business.

So the one piece is giving tax credits for small businesses to increase their payrolls. It may be for increased salaries or for increased employment. Either way you are putting more money into the working people of this economy and, therefore, they are putting it back into the economy.

The second piece of the act is the depreciation. If you are not a small businessperson, you do not really pay a lot of attention to this. But the way the IRS Code works is if you invest in new equipment, carpeting, sheet rock, lighting, whatever, the IRS has these schedules to deappreciate this over many years.

Here is how it works: First, we have the tax credit for payroll, and now we have a second piece of this bill, which is accelerated or bonus depreciation, which means if you are thinking of an idea—I will tell you, a small business I just visited in Alaska called Lime Solar, by Chet Dyson and Jessie Moe—these are two young men who are starting a small business to sell solar products for homes and businesses, but they got a lease-hold space. They rented a space. It had no sheet rock, no lighting. They are responsible for paying for all of that.

So they invested, they cleaned it up, sheet-rocked it, fixed it all up, put equipment in. All that expense now—if this bill passes—can be written off in the first year instead of depreciating it over multiple years.

Why is that important? Let's assume they spent $100,000 renovating their facility and they are in a 25-percent tax bracket. They will save in the first year $25,000—like that—instead of spreading that over the next 10 or 15 years. Why is that important? That $25,000 they save in taxes or depreciation they will be able to reinvest, reinvest into their business as they struggle to figure out how to build their markets.

Another friend of mine, Jack Lewis, opened his second restaurant recently, Firetap. Restaurants are not a cheap business. I have been in that business. I would not wish it on anybody. It is a tough business. Margins are thin. But, again, he invested, he built it, built it all out of scratch. Now he can, again, under this bonus depreciation schedule depreciate it, write it off in the first year. That is a huge benefit for these small businesses.

When I look at another small company called SteamDot Coffee—it is a small coffee company. Jonathan White owns it. They brew their own coffee, have their own coffee, and they also package it and manufacture it for resale. That takes a lot of equipment. Now they get to write that off in the first year.

What this bill does is simple, but yet it has a huge impact. As a matter of fact, under the depreciation it is estimated that for every $1 we give in the tax benefit, there is a $9 benefit to the GDP, a 1-to-9 ratio. Any businessperson would love that deal. That is a great deal.

So this bill, I hope—our colleagues have shown by 80 to 14 this is a great bipartisan effort. I hope we now move to the next stage. Maybe we will have some amendments and work through it. But lets do it for the small business community of this country, for the State I live in, and for every State.

I say to the Acting President pro tempore, the State of New York is piled with small businesses. When you go through New York City, every inch of the street has a small businessperson. That is what drives this economy. That is what makes this economy happen. That is where we need to put our investment.

I will end on this note: I know we will have some pro forma votes, as I call them, show-and-tell. We will vote on this 20-percent tax rate deduction that is being proposed by the House. It sounds good, but there is no guarantee that is going to go back into the economy. As a matter of fact, if you are a hedge funder, you will get that break. If you are an attorney, you will get that break. If you are a small businessperson, you will get that break. But there is no guarantee that money goes back into the economy. So if we are going to give these tax incentives, let's make sure it is helping the economy and building jobs and building a future for us.

So, Madam President, I just wanted to come down and speak on this bill and encourage my colleagues to support the Small Business Jobs and Tax

Relief Act, not only through the pro forma vote we had yesterday to move forward on it but also to really pass it.

We have done a great job the last few months passing a lot of legislation out of this body. Let's continue that effort and help our economy grow.

Madam President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WHITEHOUSE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. WHITEHOUSE. Madam President, I ask unanimous consent that Senator BLUMENTHAL and I be recognized for the next 20 or so minutes to speak on the issue of cybersecurity.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CYBERSECURITY

Mr. WHITEHOUSE. Madam President, I rise to speak about cybersecurity, but specifically about the cyber threat to our Nation's critical infrastructure. By critical infrastructure I mean the power grid that supplies electricity to our homes that keeps us warm in the winter and cool in the summer. I mean the financial services' processing systems that connect our ATMs to our accounts and move money around in our complex financial system. I mean the communications networks by which we talk and e-mail and text and message one another.

The men and women we have charged with our Nation's defense and we have confirmed in these roles in the Senate have repeatedly and consistently warned us about the danger of cyber attacks on this critical infrastructure. It provides power and light and heat, tracks and records financial transactions, allows communication and data transfer, keeps airlines safe in the air, controls our dams, and enables our commerce. The consequences of failure in these areas could be catastrophic. We must pay heed to these warnings about America's critical infrastructure as we consider cybersecurity legislation.

The administration has described this cyber threat in no uncertain terms. The Director of National Intelligence, James Clapper, has stated:

[I]t's clear from all that we've said [that] we all recognize we need to do something. . . . We all recognize this as a profound threat to this country, to its future, to its economy, to its very being.

Secretary of Defense Leon Panetta has warned:

The next Pearl Harbor we confront could very well be a cyber attack.

Secretary of Homeland Security Janet Napolitano has compared this threat to the September 11 attacks.

Prior to 9/11, there were all kinds of information out there that a catastrophic attack was looming. . . . The information on a cyberattack is at that same frequency and intensity and is bubbling at the same level, and we should not wait for an attack in order to do something.

Attorney General Holder stressed the urgency of responding to this threat in a recent Senate Judiciary Committee hearing. He said:

This a problem that we must address, our nation is otherwise at risk and to ignore this problem, to think it is going to go away runs headlong into all of the intelligence we have gathered, the facts we have been able to accrue which show that the problem is getting worse instead of getting better. There are more countries that are becoming more adept at the use of these tools, there are groups that are becoming more adept at the use of these tools, and the harm that they want to do to the United States and to our infrastructure through these means is extremely real.

Chairman of the Joint Chiefs of Staff Martin Dempsey has warned that ''a cyber attack could stop society in its tracks.''

NSA Director and U.S. Cyber Commander GEN Keith Alexander, a four-star general, has stated:

We see this as something absolutely vital to the future of our country. Cybersecurity for government and critical infrastructure is key to the security of this Nation.

A recent report from the Department of Homeland Security found that companies which operate critical infrastructure have reported a sharp rise in cybersecurity incidents over the past 3 years. Companies reported 198 cyber incidents in 2011, up from 41 incidents in 2010, and just 9 in 2009. This may reflect that the private sector is just now beginning to catch on. It is unfortunate but true that the private sector cannot be counted on to respond to this growing challenge on its own.

As Deputy Secretary of Defense Ashton Carter has explained, and I quote again:

There is a market failure at work here. . . . Companies just aren't willing to admit vulnerability to themselves, or publicly to shareholders, in such a way as to support the necessary investments or lead their peers down a certain path of investment and all that would follow.

These were administration warnings, but the concerns are bipartisan. A wide range of national security experts from previous Republican administrations have echoed this alarm. Former Director of National Intelligence and NSA Director ADM Mike McConnell has said, and I quote:

The United States is fighting a cyber-war today, and we are losing. It's that simple.

He explained:

As the most wired nation on Earth, we offer the most targets of significance, yet our cyber defenses are woefully lacking. . . . The stakes are enormous. To the extent that the sprawling U.S. economy inhabits a common physical space, it is in our communications networks. If an enemy disrupted our financial and accounting transactions, our equities and bond markets or our retail commerce—or created confusion about the legitimacy of those transactions—chaos would result. Our power grids, air and ground transportation, telecommunications and water filtration systems are in jeopardy as well.

That ends the quote from Admiral McConnell.

Admiral McConnell also made a comparison to threats from the past.

The cyber-war mirrors the nuclear challenge in terms of the potential economic and psychological effects. . . . We prevailed in the Cold War through strong leadership, clear policies, solid alliances and close integration of our diplomatic, economic, and military efforts. We backed all of this up with robust investments—security never comes cheap. It worked, because we had to make it work. Let's do the same with cybersecurity. The time to start was yesterday.

Former Deputy Secretary of Defense Paul Wolfowitz has also echoed the administration's warning that a cyber attack has the potential of causing devastation on the scale of another September 11. He stated:

I hope we do not have to wait for the cyber-equivalent of 9/11 before people realize that we are vulnerable.

Former Assistant Secretary for Policy at the Department of Homeland Security Stewart Baker has compared the threat to the catastrophic effects of Hurricane Katrina.

We must begin now to protect our critical infrastructure from attack. And so far, we have done little. We are all living in a digital New Orleans. No one really wants to spend the money reinforcing the levees. But the alternative is worse. . . . And it is bearing down on us at speed.

Former NSA Director and CIA Director Michael Hayden has said:

We have entered into a new phase of conflict in which we use a cyberweapon to create physical destruction, and in this case, physical destruction in someone else's critical infrastructure.

Former Republican officials have also noted the cybersecurity gap in the private sector due to this market failure. Former Secretary of Homeland Security Chertoff said:

The marketplace is likely to fail in allocating the correct amount of investment to manage risk across the breadth of the network on which our society relies.

The following examples are emblematic of the market failure that both Democratic and Republican national security officials have identified in this cybersecurity area for critical infrastructure.

When the FBI-led National Cyber Investigative Joint Task Force informs an American corporation that it has been hacked, 9 times out of 10 that American corporation had no idea.

Kevin Mandia of the leading security firm Mandiant has said, and I quote:

In over 90 [percent] of the cases we have responded to, Government notification was required to alert the company that a security breach was underway. In our last 50 incidents, 48 of the victim companies learned they were breached from the Federal Bureau of Investigation, the Department of Defense, or some other third party.

In operation Aurora, the cyber attack which targeted numerous companies, most prominently Google, only 3 out of the approximately 300 companies

attacked were aware that they had been attacked before they were contacted by the government.

We cannot count on the private sector to defend itself against a threat about which it is so unaware. An advanced persistent intrusion of the U.S. Chamber of Commerce's systems also went undetected until the chamber received help from the government. The Wall Street Journal reported that a group of hackers in China breached the computer defenses of the U.S. Chamber, gained access to everything stored in its systems, including information about its 3 million members, and remained on the network for at least 6 months and possibly more than a year. The chamber only learned of the break-in, according to the article, when the FBI told the group that servers in China were stealing its information. The special expertise of our national security agencies is a consistent theme through these examples. As former Assistant Attorney General, OLC Director, and Harvard Law School Professor Jack Goldsmith has explained:

The government is the only institution with the resources and the incentives to ensure that the [critical infrastructure] on which we all depend is secure, and we must find a way for it to meet its responsibilities.

By the way, that was Goldsmith at the Department of Justice in the Bush administration. This is a Republican appointee speaking. These warnings have been repeatedly communicated to us in the Senate. We cannot plead ignorance of them.

I ask unanimous consent to have printed in the RECORD a letter to Senate Majority Leader REID and Minority Leader MCCONNELL dated January 19, 2012.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JANUARY 19, 2012.

Hon. HARRY REID,
*Majority Leader, U.S. Senate,*
*Washington, DC.*
Hon. MITCH MCCONNELL,
*Minority Leader, U.S. Senate,*
*Washington, DC.*

DEAR MAJORITY LEADER REID AND MINORITY LEADER MCCONNELL, We write to urge the Senate to take up, debate, and pass legislation to strengthen our nation's cybersecurity.

As former executive branch officials who shared the responsibility for our nation's security, we are deeply concerned by the severity and sophistication of the cyber threats facing our nation. These threats demand a response. Congress must act to ensure that appropriate tools, authorities, and resources are available to the executive branch agencies, as well as private sector entities, that are responsible for our nation's cybersecurity. The Senate is well-prepared to take up legislation in this important national security field, and to do so in a bipartisan manner in the best traditions of the Senate.

Every week brings new reports of cyber intrusions into American companies or government agencies, new disclosures of the breach of Americans' private information, or new revelations of incidents of cyber disruption or sabotage. The present cyber risk is shocking and unacceptable. Control system vulnerabilities threaten power plants and the critical infrastructure they support, from dams to hospitals. Reported intrusions into defense contractors and military systems reveal the direct national security cost of cyber attacks. Evaluations of the Night Dragon and Aurora attacks reveal the vulnerability of our most advanced and essential industries to sophisticated hackers. The recent report by the Office of the National Counterintelligence Executive makes clear that foreign states are waging sustained campaigns to gather American intellectual property—the core assets of our innovation economy—through cyber-enabled espionage. The growing threat of terrorist organizations acquiring cyber capabilities and using them against American interests opens another battlefront in cyberspace. And every day, Americans' identities are compromised by international criminals who have built online marketplaces for buying and selling Americans' bank account numbers and passwords.

This constant barrage of cyber assaults has inflicted severe damage to our national and economic security, as well as to the privacy of individual citizens. The threat is only going to get worse. Inaction is not an acceptable option.

Senate committees of jurisdiction have done important, bipartisan work developing legislation to strengthen our nation's cybersecurity. The Administration likewise has weighed in with a set of legislative proposals. The stage thus is set for the Senate to take up cybersecurity legislation. We believe that it can and should undertake this work in keeping with its best, bipartisan traditions, addressing this pressing national security need with the seriousness that it deserves.

We urge the Senate to do so in short order: the rewards of increased security for our country, particularly our private sector critical infrastructure, will be rapid and profound.

Sincerely,

MICHAEL CHERTOFF.
WILLIAM J. LYNN III.
J. MICHAEL MCCONNELL.
RICHARD CLARKE.
DR. WILLIAM J. PERRY.
PAUL WOLFOWITZ.
JAMIE GORELICK.
GEN. (RET.) JAMES CARTWRIGHT, USMC.

Mr. WHITEHOUSE. This explains that the threat is only going to get worse; inaction is not an acceptable option. This letter was signed by former Secretary of Homeland Security Michael Chertoff, former Deputy Secretary of Defense Paul Wolfowitz, former Director of National Intelligence and NSA Director ADM Mike McConnell, former Vice Chairman of the Joint Chiefs of Staff General James Cartwright, former Defense Secretary Dr. Willian Perry, former Deputy Attorney General Jamie Gorelick, former Deputy Secretary of Defense William J. Lynn, III, and former Special Advisor to the President for Cyber Security, Richard Clarke.

I also have a letter written to Majority Leader REID and Minority Leader MCCONNELL, dated June 6, 2012, which I ask unanimous consent to have printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JUNE 6, 2012.

DEAR SENATORS REID AND MCCONNELL, We write to urge you to bring cyber security legislation to the floor as soon as possible. Given the time left in this legislative session and the upcoming election this fall, we are concerned that the window of opportunity to pass legislation that is in our view critically necessary to protect our national and economic security is quickly disappearing.

We have spoken a number of times in recent months on the cyber threat—that it is imminent, and that it represents one of the most serious challenges to our national security since the onset of the nuclear age sixty years ago. It appears that this message has been received by many in Congress—and yet we still await conclusive legislative action.

We support the areas that have been addressed so far, most recently in the House: the importance of strengthening the security of the federal government's computer networks, investing in cyber research and development, and fostering information sharing about cyber threats and vulnerabilities across government agencies and with the private sector. We urge the Senate to now keep the ball moving forward in these areas by bringing legislation to the floor as soon as possible.

In addition, we also feel that protection of our critical infrastructure is essential in order to effectively protect our national and economic security from the growing cyber threat. Infrastructure that controls our electricity, water and sewer, nuclear plants, communications backbone, energy pipelines and financial networks must be required to meet appropriate cyber security standards. Where market forces and existing regulations have failed to drive appropriate security, we believe that our government must do what it can to ensure the protection of our critical infrastructure. Performance standards in some cases will be necessary—these standards should be technology neutral, and risk and outcome based. We do not believe that this requires the imposition of detailed security regimes in every instance, but some standards must be minimally required or promoted through the offer of positive incentives such as liability protection and availability of clearances.

Various drafts of legislation have attempted to address this important area—the Lieberman/Collins bill having received the most traction until recently. We will not advocate one approach over another—however, we do feel strongly that critical infrastructure protection needs to be addressed in any cyber security legislation. The risk is simply too great considering the reality of our interconnected and interdependent world, and the impact that can result from the failure of even one part of the network across a wide range of physical, economic and social systems.

Finally, we have commented previously about the important role that the National Security Agency (NSA) can and does play in the protection of our country against cyber threats. A piece of malware sent from Asia to the United States could take as little as 30 milliseconds to traverse such distance. Preventing and defending against such attacks requires the ability to respond to them in real-time. NSA is the only agency dedicated to breaking the codes and understanding the capabilities and intentions of potential enemies, even before they hit ''send.'' Any legislation passed by Congress should allow the public and private sectors to harness the capabilities of the NSA to protect our critical infrastructure from malicious actors.

We carry the burden of knowing that 9/11 might have been averted with the intelligence that existed at the time. We do not want to be in the same position again when 'cyber 9/11' hits—it is not a question of 'whether' this will happen; it is a question of 'when.'

Therefore we urge you to bring cyber security legislation to the floor as soon as possible.

Sincerely,

HON. MICHAEL CHERTOFF,
HON. J. MIKE MCCONNELL,
HON. PAUL WOLFOWITZ,
GEN. MICHAEL HAYDEN,
GEN. JAMES CARTWRIGHT (RET),
HON. WILLIAM LYNN III.

Mr. WHITEHOUSE. Secretary Chertoff, Admiral McConnell, Deputy Secretary Wolfowitz, General Hayden, and General Cartwright urged us to:

. . . bring cyber security legislation to the floor as soon as possible. Given the time left in this legislative session and upcoming election this fall, we are concerned that the window of opportunity to pass legislation that is in our view critically necessary to protect our national and economic security is quickly disappearing.

They specifically focused on the threat to critical infrastructure, stating that ''protection of our critical infrastructure is essential in order to effectively protect our national and economic security from the growing cyber threat.''

We must not ignore this chorus of warnings issued by those who are the most informed and most alert about the danger to our critical infrastructure. We must pass cybersecurity legislation, and we must ensure that the cybersecurity legislation we pass addresses our Nation's critical infrastructure. No bill that fails to address critical infrastructure can be said to have done the job of protecting our country.

Our Nation will be vulnerable if critical infrastructure companies fail to meet basic security standards, as they do right now. Legislation must include a mechanism to end this continuing vulnerability. If operators object to a particular approach to cybersecurity for our critical infrastructure on the basis that it is too burdensome or too unwieldy, they will find many Members of the Senate on both sides—myself and Senator BLUMENTHAL included—who are ready and eager to work with them. But if the purpose of the exercise is to come to an end point in which the operators of our critical infrastructure do not have to reach adequate levels of cybersecurity, then we need to move on and we need to vote and go beyond that.

The question of how we get to cybersecurity is one we should engage in the Senate. The question of whether we protect our privately held critical infrastructure in a responsible way is one we should not allow to deter us from getting this job done to protect our national and economic security.

Whatever the ultimate solution, we simply must find a way to improve the cybersecurity of our critical infrastructure.

I yield the floor to Senator BLUMENTHAL, who has been engaged in efforts with me to try to find a way through to a bipartisan bill that will protect our critical infrastructure. He has expertise in this area as a superbly trained lawyer, a multiply elected Attorney General of his home State, a former marine dedicated to our national security, and as a person who brings the highest level of legal talent to this discussion, having argued, I think, five separate cases before the U.S. Supreme Court. He has been an enormous asset, and I appreciate his participation.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Connecticut.

Mr. BLUMENTHAL. Madam President, I thank the Senator from Rhode Island, my distinguished colleague, for those very generous remarks. Actually, I had four arguments in the Supreme Court. The rest was similarly exaggerated as to my qualifications. But I thank the Senator from Rhode Island. Most importantly, I thank him for his extraordinary work on this issue and for his leadership and vision as well as his courage.

I wish to emphasize a number of the points he made so powerfully in his remarks earlier. First and most significantly, the United States is under cyber attack. The question is, How do we respond? It is our national interests that are at stake.

Every day this Nation suffers attempted intrusions, attempted interference, and attempted theft of our intellectual property as a result of the ongoing attacks we need to stop, deter, and answer.

National security is indistinguishable from cybersecurity. In fact, cybersecurity is a matter of national security and not only so far as our defense capabilities; our actual weapons systems are potentially under attack and interference, but also, as my colleague from Rhode Island said so well, because our critical infrastructure is every day at risk—our facilities in transportation, our financial systems, our utilities that power our great cities and our rural areas and our intellectual property, which is so valuable and which every day is at risk and, in fact, is taken from us wrongfully, at great cost to our Nation.

The number and sophistication of cyber attacks has increased dramatically over the past 5 years. All the warnings—bipartisan warnings—say those attacks will continue and will be mounted with increasing intensity. In fact, experts say that with enough time, motivation, and funding, a determined adversary can penetrate nearly any system that is accessible directly from the Internet.

The United States today is vulnerable. To take the Pearl Harbor analysis that our Secretary of Defense has drawn so well, we have our ''ships'' sitting unprotected today, as they were at the time of the Pearl Harbor attack. Our ships today are not just our vessels in the sea but our institutions sitting in this country and around the world, our critical infrastructure, which is equally vulnerable to sophisticated and unsophisticated hackers.

In fact, the threat ranges from the hackers in developing countries—unsophisticated hackers—to foreign agents who want to steal our Nation's secrets, to terrorists who seek ways to disrupt that critical infrastructure.

It is not a matter simply of convenience. We are not talking about temporary dislocations, such as the loss of electricity that the Capital area suffered recently or that our States in New England suffered as a result of the recent storms last fall; we are talking about permanent, severe, lasting disruptions and dislocations of our financial and power systems that may be caused by this interference.

One international group, for example, accessed a financial company's internal computer network and stole millions of dollars in just 24 hours.

Another such criminal group accessed online commercial bank accounts and spread malicious computer viruses that cost our financial institutions nearly $70 million.

One company that was recently a victim of intrusion determined it lost 10 years' worth of research and development—valued at $1 billion—virtually overnight. These losses are not just for the shareholders of these companies, they are to all of us who live in the United States because the losses, in many instances, are losses of information to defense companies that produce our weapons, losses of property that has been developed at great cost to them and to our taxpayers. We should all be concerned about such losses.

As Shawn Henry, the Executive Assistant Director of the FBI, has said: ''The cyber threat is an existential one, meaning that a major cyber attack could potentially wipe out whole companies.''

Those threats to our critical infrastructure, as we have heard so powerfully from my colleague from Rhode Island, are widespread and spreading.

Industrial control systems, which help control our pipelines, railroads, water treatment facilities, and powerplants, are at an elevated risk of cyber exploitation today—not at some point in the future but today. The FBI warns that a successful cyber attack against an electrical grid ''could cause serious damage to parts of our cities, and ultimately even kill people.''

The Department of Homeland Security said that last year they had received nearly 200 reports of suspected cyber incidents, more than 4 times the number of incidents reported in 2010.

In one such incident, more than 100 computers at a nuclear energy firm were infected with a virus that could have been used to take complete control of that company's system.

These reports, these warnings, go on.

In summary, the Director of the FBI said it best: ''We are losing data, we are losing money, we are losing ideas, and we are losing innovation. ''

Those threats are existential to our Nation, and we must address them now—not simply as a luxury, not as a possibility but as a need now.

I thank the Senator from Rhode Island, as well as my distinguished fellow Senator from Connecticut, JOSEPH LIEBERMAN, and others on the other side, such as Senators MCCAIN, COLLINS, GRAHAM, and CHAMBLISS, as well as other colleagues on this side, for their leadership in this area. They have started this effort with great dedication.

There has been substantial work done already. No one here has ignored this threat. We must move forward for the sake of our Nation's security. Our cybersecurity must be addressed as soon as possible. Cybersecurity is not an issue we can wait to address until we see the results of failure. The consequences of a debilitating attack would be catastrophic to our Nation. I hope we can continue to fill the consensus, which the Senator from Rhode Island has been working to do, with other colleagues, so we can come together, as he said—not whether but how—and do it in a bipartisan way. This issue has elicited, very commendably and impressively, colleagues from both sides who have been working on this issue with dedication and diligence. I hope the body as a whole will match the vigor that is appropriate.

Again, I thank the Senator from Rhode Island. Part of our challenge will be to elicit better agency coordination. If the Senator from Rhode Island wishes to comment further, I hope perhaps he can respond to the question of how soon we should come together and work on this issue. Is it a problem we can delay until the next session or should we try to address it during the coming months of this session before we close?

The ACTING PRESIDENT pro tempore. The Senator from Rhode Island.

Mr. WHITEHOUSE. Madam President, I am delighted to respond to the Senator in two ways. First, as the Senator so well pointed out, this is not a future threat or a prospective threat that we need to prepare ourselves against; this is an ongoing, current threat. There is a campaign of attacks into our national security infrastructure, into our intellectual property, and into our critical infrastructure, such as the power grids and the communications networks we count on in our daily lives for what we consider the American standard of living here at home. So time is not our friend.

As one of the individuals I quoted said—I think Admiral McConnell—the day to get this done was yesterday. So the sooner the better. We do need to form a consensus in this body, enough to move through the parliamentary obstacles that exist in this body, which allows us to go forward and will allow us to go forward in a way that does something serious about forcing the operators of our critical infrastructure to put in adequate cybersecurity protections. If they have to do it because they have incentives to do it, that is one way of getting there. If they have to do it because there are regulations that demand it, that is another way of getting there. There are different ways of getting there. And as the Senator from Connecticut and I have discussed—and we are actually working together on this—we are open to different ways to get there, but it should be agreed amongst us in the Senate that getting there, getting to the point where America's critical infrastructure is protected from cyber attack as reasonably well as we can should be the nonnegotiable goal. Anything short of that should be seen as failure.

There is another thing I wanted to add. The Senator was very generous in his remarks and credentialing of a great number of Senators who have been working very hard. I would also like to single out Senator COONS, who has been very helpful in our efforts.

I will stay on our side of the aisle at this point and add in particular Senator MIKULSKI. BARBARA MIKULSKI serves on the Intelligence Committee. She is keenly aware of the cyber threat. She has taken deep dives into this issue in her role as a cardinal on the Appropriations Committee. She does the appropriations for many of the national security agencies and law enforcement agencies that are deeply involved in this. So when she speaks, she speaks with real authority and she speaks with real impact. Her participation in this effort is extraordinarily helpful, in addition to the efforts of the many Senators whom my colleague singled out as well.

With that, I yield the floor. I see the Senator from Louisiana is here, and I thank the Senator from Connecticut.

Mr. BLUMENTHAL. I thank the Senator and the Chair.

The PRESIDING OFFICER (Mr. FRANKEN). The Senator from Louisiana.

PRESCRIPTION DRUG POLICY

Mr. VITTER, Mr. President, I come to the Senate floor to talk about a priority of mine that has been the case since I first came to the Senate; that is, reimportation—changing Federal law appropriately to allow Americans to buy safe, cheaper prescription drugs from Canada and other countries.

We all know prescription drug prices are sky-high in the United States. They are sky-high by any metric, by any measure, but certainly in this down economy and certainly for folks like our seniors who are on a fixed income. They are particularly sky-high when you compare those drug prices to the prices of exactly the same drugs in other countries, including other Western industrialized countries, such as Canada immediately to our north.

For this reason, from the very beginning of my work in the Senate, I have laid out a number of solutions that I believe would make the situation a lot better, including generics reform, which I am working on in a bipartisan way with other Members of the Senate. One of those proposed solutions has been reimportation. Again, that would mean changing Federal law, as I think we absolutely need to do, to allow American seniors and all Americans to buy safe, cheaper prescription drugs from other countries such as Canada.

Let me emphasize that I am talking about exactly the same prescription drugs as we can buy here at much higher prices, and I am only talking about FDA-approved drugs. I am talking about drugs coming from the same sources, manufacturing sites, either in this country that go to Canada and other countries or sometimes from third-party countries, with the drugs coming to both Canada and the United States.

When I first came to the Senate, we were on the verge of passing that legislation. I worked in a bipartisan way with a large group of Senators, including Senator Byron Dorgan of North Dakota, who was one of the leaders of the issue at the time; JOHN MCCAIN on our Republican side; and many others, including OLYMPIA SNOWE, who were also involved in this issue.

One of those strong vocal supporters of reimportation was then-Senator Barack Obama. He took a very clear position as a U.S. Senator being strongly in support of reimportation. He voted for the full-fledged reimportation bill in 2007, and as he became a Presidential candidate, that strong, clear support continued during his Presidential campaign. Then-candidate Obama clearly stated once again his strong, crystal-clear support for reimportation. In fact, Presidential candidate Obama used very feisty language about reimportation. He claimed he would fight Big Pharma—the big pharmaceutical companies—stating, ''We'll take them on, hold them accountable for the prices they charge'' and ''[drug] companies are exploiting Americans by dramatically overcharging U.S. consumers.''

Unfortunately, after then-candidate Obama was elected President, some things changed, and the biggest change was the ObamaCare proposal and all of the backroom deals, bartering, and deal-making that led to its passage through Congress. I had concerns at the time. In fact, I spoke very clearly about my concerns here on the Senate floor that there were some backroom deals going on, essentially trading reimportation—the White House pledging to oppose reimportation, clearly against what the President ran on and how he voted here in the Senate, if Big Pharma would join the effort to pass ObamaCare into law.

More recently, in the last few months, e-mails and other evidence have surfaced that clearly confirm that is exactly what went on. In fact, the House Energy and Commerce Committee has had an investigation into this issue, and it has revealed and made very clear the closed-door negotiations about ObamaCare that essentially struck a deal between Big Pharma and the White House, the White House saying: You support ObamaCare, you help us pass it, you

produce advertising dollars to do that, and we will deep-six—kill forever—reimportation.

As I said, this House investigation has laid out a clear pattern of e-mails and other communications that tell the story very clearly. PhRMA e-mails, for instance, say:

Rahm will make it clear that PhRMA needs a direct line of communication, separate and apart from any other coalition.

Of course, Rahm is then-White House Chief of Staff Rahm Emanuel.

On June 10, 2009, PhRMA lobbyists met with White House officials, and coming out of that meeting, they said they had discussed the details ''and the expected financial gain from health reform.''

The same House investigation has revealed meetings between top administration officials and other special interest groups, including meetings at the DSCC—Democratic Senatorial Campaign Committee—to coordinate political operations. PhRMA lobbyists attended these meetings to learn about White House messaging and ''how our effort can be consistent with that.''

Then the final big deal was struck, and the big deal, as revealed clearly by this evidence and these e-mails, was very clear: PhRMA—the big pharmaceutical companies—would support ObamaCare not just in word but in deed, including putting up $70 million to help fund an advertising campaign in support of the passage of ObamaCare. That $70 million from the biggest pharmaceutical companies went to two 501(c)(4) groups—Healthy Economy Now and Americans for Stable Quality Care. These groups were formed specifically to advertise and promote the passage of ObamaCare. The former group was actually created after a meeting discussing the need for these efforts at the DSCC, a Democratic campaign arm. In addition, Big Pharma—the biggest pharmaceutical companies—offered $80 billion in payment reductions and other parts of health care financing in order to again secure their top priority: killing, in their mind, hopefully forever, reimportation.

In June President Obama's top White House health care adviser, Nancy-Ann DeParle, wrote to PhRMA that the Obama administration had ''made [the] decision, based on how constructive you guys have been, to oppose importation.'' Later, after that, PhRMA lobbyist e-mails confirm the deal and specifically highlight a conversation a PhRMA lobbyist had with White House Deputy Chief of Staff Jim Messina. The PhRMA lobbyist wrote:

Confidential. [White House] is working on some very explicit language on importation to kill it in health care reform.

In August 2009 PhRMA's top lobbyist at the time, Billy Tauzin, made it crystal clear as well when he said:

We were assured . . . you will have a rock-solid deal.

The tragedy of all this is they apparently did have a rock-solid deal because if we look at Senate votes after that backroom deal which helped pass ObamaCare, there were multiple individual Senators who flipped their votes and made good on the White House rock-solid deal to kill reimportation—that opportunity for all Americans, particularly seniors, to be able to buy safe, cheaper prescription drugs from Canada and elsewhere.

Let's look at votes on the broad reimportation bill which was led by then-Senator Byron Dorgan. I was a cosponsor, and so were many other Senators who had been involved in this issue, such as JOHN MCCAIN, OLYMPIA SNOWE, and many others. In 2007 the Senate actually passed that measure 63 to 28, although after that it was essentially scuttled by a poison pill that was added to the bill. But the vote on the base measure was 63 to 28, with 47 Senate Democrats voting yes, including then-Senator Barack Obama.

Now let's flash-forward to 2009, after the ObamaCare backroom deal, and it is a whole different planet, a whole different landscape. The Senate defeated the same measure 51 to 48. There was a 60-vote threshold, with 38 Senate Democrats voting yes—a far smaller number—and 23 Senate Democrats switching their votes from 2007. It was exactly the same measure, but 23 Senate Democrats flip-flopped, switched their votes in light of the White House ObamaCare deal.

We can see a similar flip-flop with regard to votes on my Vitter amendment, which was a more narrowly tailored measure regarding reimportation. In 2009 the Senate passed that Vitter amendment 55 to 36, with, again, 45 Senate Democrats voting yes on that more focused and narrowly tailored reimportation amendment. But in 2011, after the deal, it was a completely different story. The Senate rejected the same amendment 45 to 55, with only 29 Senate Democrats voting yes—again, 14 Senate Democrats having switched their votes, doing a complete flip-flop from 2009.

So I believe the facts are in. Investigations, e-mails, and other crystal-clear evidence, including those votes and vote switches, make it very clear there was a backroom deal worth billions of dollars to Big Pharma and worth a lot politically to the Obama White House. That deal, as evidenced by these communications and quotes and e-mails, was very clear.

Big Pharma said: We will help you pass ObamaCare. We will give you $70 million in advertising money. We will help lower costs so you can brag that ObamaCare is, through some smoke and mirrors accounting, actually saving money when it is not. And, in exchange, you kill reimportation, which would lower prices on us and hurt our profit margin. And the White House said: Absolutely, we agree.

Senator Obama was full bore for reimportation. Candidate Obama campaigned on the issue and was very strong and vocal about it. President Obama cut the backroom deal and killed it. Those of us who are still fighting for lower prescription drug costs here in the Senate are, quite frankly, still reeling from the setback and still trying to deal with it. But I believe we ultimately will deal with it and will recover from this major setback when the American people fully realize what went on—the corrupt, I would say, backroom deal that was cut between the White House and Big Pharma, and how seniors and other Americans are paying the price.

ObamaCare passed, and prescription drug prices continue to be sky high. They continue to hurt tens of millions of Americans, particularly those on a fixed income such as seniors. And we continue to need a solution to that very real problem. That is why I will continue to fight. I will continue to fight for any measure that makes sense to lower prescription drug prices, generics reform, streamlining at FDA, and, yes, reimportation, to level the playing field, to get a world price on the drugs we use and not force a much higher price on Americans than virtually anyone else pays around the world.

America's seniors need that relief. I wish the Obama White House understood that and acted upon that. I wish President Obama would keep his word that he made as a Senator and as a Presidential candidate. But I will continue to keep my word on the issue and to build that support for strong, effective reimportation legislation.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New York.

### HONORING RAOUL WALLENBERG

Mrs. GILLIBRAND. Mr. President, I rise today on a matter that has become very close to my heart; and that is, honoring Raoul Wallenberg with the Nation's highest civilian award, the Congressional Gold Medal of Honor. I urge my colleagues to support conferring this honor on Mr. Wallenberg, and I am grateful that we already have 71 of my colleagues from every part of the political spectrum supporting our efforts.

During World War II, Raoul Wallenberg chose to leave his life of ease in Sweden for a diplomatic assignment in Hungary, which was then an ally in Nazi Germany. His assignment was the result of a recruitment effort by the United States War Refugee Board and the Office of Strategic Services to try to save the remaining Hungarian Jews from the Holocaust.

In his effort, Mr. Wallenberg succeeded beyond anyone's expectations. He provided Swedish passports for thousands of Jews, which literally made the difference between life and death. Mr. Wallenberg rented 32 buildings in Budapest, raised a Swedish flag, and declared them protected with diplomatic immunity. Within these buildings, he housed, protected, and saved almost 10,000 precious lives.

Mr. Wallenberg's bravery and his will to act are shining examples to us all. According to eyewitnesses, Mr. Wallenberg once climbed onto the roof of a train with Jews departing for Auschwitz, handing them protective passes through the doors. Amid threats from the guards, he then marched dozens of those with passes to safety in a diplomatic convoy. As the Nazi front was collapsing and Adolf Eichmann moved to kill all the remaining Jews in Budapest, it was Mr. Wallenberg who helped thwart that plan by threatening Hungarian leaders with the promise of hanging for war crimes if they carried out the plot.

Sadly, and selflessly, Mr. Wallenberg was later taken prisoner when the Soviet Army liberated Budapest from the Nazis, and it is presumed that he died in a Moscow prison.

This hero's willingness to risk his own life for others exemplifies his outstanding spirit, his dedication to humanity, and the responsibility for all of us to speak out against atrocities. His enduring legacy lives on in the countless descendants of those he saved, the lives of New Yorkers such as Peter Rebenwurzel, a New York City resident whose late father helped Jews in the Budapest ghetto, and whose father-in-law only survived because of Mr. Wallenberg's heroic efforts.

I wish also to take this moment to recognize Andrew Stevens, who was an active member of the Jewish underground during the Holocaust who worked bravely alongside Mr. Wallenberg to save Jewish lives.

As we move to award Raoul Wallenberg with this Congressional Medal of Honor upon the centennial of his birth, we pay tribute to an extraordinary man whose life should serve as a shining example of leadership and courage for all future generations to come.

Mr. President, I wish also to address the second issue of something we have been debating on the floor all morning, and that is the issue of jobs and what this Congress is doing to help our small businesses grow.

I rise in support of the Landrieu-Snowe amendment and the underlying bill. These two proposals will address what every American expects us to take on; that is, coming together to create jobs, help our economy grow, and focus squarely on creating opportunities for our middle class to thrive. All across my home State of New York, too many middle-class families are continuing to struggle in this very tough economy.

Of course, the government doesn't create any jobs. Businesses create jobs and ideas, and people create jobs, especially small businesses. Small businesses have been responsible for at least 60 percent of all new jobs that have been created, and small businesses can give us the spark we actually need to create a growing economy and a thriving middle class.

I have spent months going all across New York State having roundtables with businesses, and I have particularly hosted roundtables focused on women-owned businesses. I have been to restaurants, I have been to bookstores, I have been to recyclers, I have been to incubators, I have been to home stores, all businesses created by women all across New York State.

Women-owned businesses are among the fastest growing sector within the small business economy. More than 10 million businesses are owned by women, employing more than 13 million people and generating nearly $2 trillion worth of sales in 2008 alone. Even though women-owned businesses start their businesses with about eight times less capital than their male counterparts, in the decade from 1997 to 2007, women-owned businesses added roughly ½ million jobs to our economy. That is the kind of growth we need right now. That is the kind of spark that could actually make a difference. And we could do our part right here in Congress this week. It is time to end all the political posturing. It is time to come together around commonsense core ideas, such as giving these businesses the tax breaks they need to grow.

We shouldn't wait another day to eliminate capital gains on investments in these small businesses. We should extend the tax breaks for businesses that allow them to invest in new property, plants, or equipment and take those deductions upfront. We should give them incentives to hire those new employees. It is our responsibility as lawmakers to do this kind of work together, in a bipartisan way, one that can set aside the political gamesmanship.

I know, just as women-owned small businesses are ready to lead us to lasting economic strength and growing economy, the women of the Senate are there to support them. Democrats and Republican women have come together around this bill in a bipartisan way to urge our colleagues to support it.

These tax provisions provide relief to the self-employed, to small businesses in their capital investments, and encourage new investment. They work hand in hand with other tax credits that encourage new hires and wage increases. The combination of these things will harness their full potential for our American businesses to grow.

We know these proposals are effective. They helped boost private sector job creation over the past 2 years. But we all know there is so much more we have to do, and we can start by renewing these commonsense steps to unlock the power of our small businesses.

These aren't Democratic ideas; they are not Republican ideas; they are just good ideas. They are good, commonsense ideas that can make a difference. We should be able to come together to do this for the American people to create a growing economy again.

Mr. President, I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KYL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KYL. Mr. President, yesterday the Senate voted by a wide margin to proceed to Leader REID's Small Business Jobs and Tax Relief Act.

Everyone in this Chamber claims to support both small businesses and tax relief, and Republicans know the best way to do that is to stop the $4.5 trillion tax hike that looms over the economy, and it is crippling job creators.

Fortunately, there is an easy way to solve the problem: Vote on and pass amendment No. 2491, introduced by Senators HATCH and MCCONNELL and cosponsored by myself and several colleagues.

The amendment is simple. It prevents the looming expiration of the 2001 and 2003 tax relief for 1 year, and lays out specific conditions for progrowth tax reform in the coming months. It is similar to the approach the House will take later this month.

In other words, the Hatch-McConnell amendment stops income tax rates from rising. It stops capital gains and dividends rates from rising. It stops the job-killing death tax from rising and the related exemption from falling. And it prevents the alternative minimum tax from engulfing millions more middle-income Americans.

It is an amendment that would protect our economy more than any debt-financed stimulus bill or other kind of short-term tax credit that the Obama administration could dream up. It is an amendment that, given the history of bipartisan support for tax relief in this Chamber, should pass the Chamber today.

To be clear, stopping these tax hikes for 1 year is not a perfect solution. My preference is to continue the current rates as we move toward comprehensive tax reform for both individuals and corporations. But let's be clear about what the other options are.

First, we could let the top two marginal tax brackets increase from 33 and 35 percent to 36 and 39.6 percent respectively. That is what President Obama and Leader REID wish to do.

That strategy means that almost 1 million business owners will be hit with a massive tax increase on New Year's Day. And that is according to the nonpartisan Joint Committee on Taxation. That strategy means 53 percent of business income will be subjected to a tax hike in order to fund the historic levels of spending from the current administration. The strategy guarantees more jobs will be lost, that unemployment will stay high, and that economic growth will remain sub par.

Let me repeat that. Over half—53 percent—of all business income would be subjected to this tax increase.

If we do nothing, the current code expires and Americans will see over $4.5

trillion taken from the private sector over the next decade. This will help push us into a recession next year, according to the Congressional Budget Office. For any Member of this Chamber who cares about job creation and economic recovery, these two options should be unacceptable. They certainly were for President Obama in 2010. Less than 2 years ago, when President Obama signed legislation into law preventing taxes from going up on any American, he noted that tax hikes, and I am quoting here, ''would have been a blow to our economy just as we are climbing out of a devastating recession.''

Evidently, 40 Senate Democrats agreed with the President since they too voted to stop taxes from increasing in 2010. What is the difference now? Our economy is in worse shape, growing now at less than 2 percent. At that time it was 3 percent. So there is even more reason not to raise taxes now than there was in 2010 when the President thought it was a bad idea.

I want to echo the sentiments of Senator MCCONNELL this morning. Even though the President's plan is bad for the economy, we should vote on it and we should vote on the Hatch amendment today. Let's show the American people where we stand. A unanimous consent agreement to do just that was blocked this morning by the majority leader even though President Obama said the following 2 days ago:

So my message to Congress is this: Pass a bill. I will sign it tomorrow. Pass it next week; I'll sign it next week. Pass it next—well, you get the idea.

We should follow President Obama's suggestion. We should vote on these proposals. Let's vote on his proposal. Let's vote on Senator HATCH's proposal. Senator HATCH's proposal will stop taxes from going up on any American. The other one will burden nearly 1 million business owners with job-killing higher taxes. I think Americans deserve to know where their elected officials stand on these critical issues.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WEBB. Mr. President, I ask unanimous consent that the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Virginia.

Mr. WEBB. Mr. President, I ask to speak on an amendment I have sent to the desk.

The PRESIDING OFFICER. Amendments are not in order at this time, but it can be submitted.

Mr. WEBB. Mr. President, I ask to speak on the bill I send to the desk.

The PRESIDING OFFICER. The measure will be appropriately referred.

Mr. WEBB. Thank you, Mr. President. I thank the Parliamentarian for that clarification.

(The remarks of Mr. WEBB pertaining to the introduction of S. 3372 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. WEBB. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. UDALL of New Mexico). Without objection, it is so ordered.

Mr. LEAHY. Mr. President, what is the current parliamentary situation?

The PRESIDING OFFICER. The Senate is postcloture on the motion to proceed to S. 2237.

Mr. LEAHY. I thank the distinguished Presiding Officer, the Senator from New Mexico.

VERMONT NATIONAL GUARD

Mr. President, let me begin by noting that this morning, while watching ''The Today Show,'' I saw a piece about the Vermont National Guard. We have called them the Green Mountain Boys from the time of Ethan Allen. It was fascinating to watch Savannah Guthrie, who is one of the anchors of the morning program ''The Today Show.'' Her brother is a colonel with the Vermont National Guard who flies F–16s. She got to ride on the plane with her brother, which I thought was remarkable. I had the opportunity to fly with them before. For those of us who are usually confined to flying on airlines, this is a little bit different, both in takeoff, visibility, and maneuvers. I have never been on a commercial airplane where I was pulled anywhere from 5 to 9 Gs, as that flight was.

I was glad to see not only Colonel Guthrie recognized, but also all the men and women of the Vermont National Guard. This is a group who, in the hours after 9/11—the tragedies of 9/11—immediately took to the air and guarded the skies over New York City.

I recall when our adjutant general called me to tell me that the Green Mountain Boys were protecting New York City around the clock.

I asked her: Where are you basing them from?

She said: Vermont.

I said: Well, how long does it take you to get to New York City?

She told me: With the after burners, a matter of minutes.

I have never been quite able to make that flight on a commuter plane from Burlington, VT, to New York City. But they can be refueled in midair.

Everybody, whether on vacation or not, showed up at the Vermont National Guard—our mechanics, flight administrators, and pilots, of course. They kept those planes going around the clock for weeks. They did not miss a single day of their mission, or a single minute of their mission—even with all the calibration of weapons and radar and everything else. It was a remarkable scene.

I am glad to see them recognized this morning, and as a Vermonter, I am extraordinarily proud of our Vermont National Guard, both our Army Guard and our Air Guard. They do all the people of our State proud.

Mr. President, I wish to speak on another matter, and I ask as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, small businesses and working families throughout Vermont and around the country are facing incredibly challenging times. These problems are especially acute in my State, where we rely so heavily on small businesses to create jobs for our citizens and to make Vermont the desirable place to live and to visit that it is.

The Federal Government has rightly recognized the important role small businesses play in our economy. From SBA loans, to USDA Rural Development grants, to small business set-asides on government contracts, a variety of targeted Federal programs join with small businesses to help them grow and prosper.

This Congress has enacted several job-creating steps. Just last year, I was able to lead the effort here in the Senate to enact a major overhaul of our Nation's outdated patent laws. The Leahy-Smith America Invents Act is going to create jobs, but also, and very importantly, it is going to help unleash more American innovation, and it does not add a penny to our deficit. In fact, last year Vermont was awarded more patents per capita than any State in the Union. Of course, those patents mean more jobs for Vermonters.

And 2 weeks ago we made further progress by passing a transportation funding bill that will make vital investments in our Nation's roads, bridges, and transit systems, and a student loan bill that will lower the costs of college borrowing for thousands of students and their families.

I might say, these student loans are extremely important. I remember the one I had when I was in law school—a 10-year loan. Two things happened the year of that last payment, that 10th payment on my student loan from law school: first, the satisfaction my wife, Marcelle, and I had in paying off the loan, and second, it was that same year I was sworn into the U.S. Senate. I wonder if I would have been here had we not had the money to pay for school.

But I think we can and must do more to help our struggling small businesses and working families.

That is why I strongly support the bill before us today that will provide small businesses with tax incentives to begin hiring again. The bill is a multipronged strategy for spurring job creation. First, it would create a tax credit for businesses to hire new workers or increase wages for their current

workers. In other words, instead of saying that we just give a tax break to extraordinarily wealthy people and somehow jobs will be created, we say: Let's see the jobs. Show me the jobs. Show me the jobs. If you have a tax credit for businesses that hire new workers or increase wages for their current workers, then that is a good use of our Tax Code. Second, it would allow businesses to immediately write off all of the major purchases they make this year. That is a tangible incentive for new investments and new hires, right away.

I do not support this bill just because the President supports it, or the Democratic leader supports it, or most of the Members of my side of the aisle support it. They all do stand behind this effort, and I am grateful for that. I support this bill because I have heard from small business owners in Vermont, Democratic and Republican alike, who tell me they would make capital improvements and put people to work immediately if this bill were signed into law. And I suspect the same would be true in virtually every other State in this country.

On the shores of Lake Champlain, in the northern border town of Highgate, VT, sits one of America's most genuine and beautiful family resorts: the Tyler Place Family Resort. Year after year, families flock to the resort to spend time with their families, swimming and boating and enjoying a summer campfire. It is the kind of place that draws the same families year after year, where multigenerational families take time to enjoy each other's company as well as the great food and the magnificent views. It is easy to forget, especially when you are sitting there watching the sunset over the beautiful, great big Lake Champlain, that it is one of the millions of small businesses that keep America's economy moving forward and Americans at work.

Last year I heard from the owners of the resort, including Pixley Tyler Hill, a dogged advocate for Vermont, for Vermont's tourism industry, and for Lake Champlain, about their interest in seeing an extension of the bonus depreciation provision that expired in December.

Her brother Ted Tyler summed it up by saying:

> These changes in the tax law make all the difference in the world in decisions whether to spend money, and thereby stimulate the economy and increase employment in the process. For example, consider a resort deciding whether to add tennis courts, put in a new sewer system, upgrade roads or do major landscaping work—say, at an anticipated cost of $300,000. Absent bonus depreciation the company will have paid $300,000 but it can only deduct $20,000 that year as an expense for tax purposes. True enough that over the next 14 years, the business can continue to write off $20,000. But how many small businesses can afford to wait that long to recoup the $280,000 they no longer have?

Pixley and Ted had me sold the minute they explained that this tax incentive was the difference between making new investments and hiring someone, and sitting on their hands waiting for things to change. Extending this provision alone is reason enough to pass the bill.

This bill is full of a million other reasons why we should be working with all the determination we can muster and promptly pass it. Pass it now when the economy needs it. It is a good, solid reason for each of the jobs it would create for working families and businesses all over America.

I urge all Senators to work without delay on this important legislation. Businesses in each of our 50 States are waiting for us to lend another helping hand to the economic recovery act.

### VIOLENCE AGAINST WOMEN REAUTHORIZATION ACT

Mr. President, it has been nearly 3 months since the Senate passed the bipartisan Leahy-Crapo Violence Against Women Reauthorization Act—3 months. We are no closer to enacting this bill into law than we were in April when 68 Senators, Republican and Democratic Senators alike, voted for this critical legislation to protect women from domestic and sexual abuse.

I am concerned that politics threatens to get in the way of passing this critical legislation this year. Protecting every victim of domestic and sexual violence should be above politics. Members of Congress in both Chambers, set aside the political rhetoric. Act swiftly to reauthorize this landmark legislation and save countless lives.

Time is running out. There are only a few weeks left in this session before election-year politics take over and Congress comes to a standstill. There are critical improvements in the Leahy-Crapo reauthorization bill that will not take effect unless Congress acts. We cannot simply say: Well, if we do not enact it, maybe we can do it next year or the year after. There are a lot of major programs that can only be enacted in this bill, not in appropriations, not any other way.

Sexual assault programs will not receive the added support they need unless we pass our bill into law. The legislation's emphasis on increasing housing protection for victims and preventing homicides connected to domestic and sexual violence will not have an opportunity to help vulnerable victims across the country. Important improvements in campus safety and prevention programs for teens will not occur. Immigrant victims, Native women, and LGBT victims will continue to remain without the services and protection they need and deserve.

The legislation is too important to wait. I hear from victims and the professionals who work on their behalf. They say they need the improvements made by the Leahy-Crapo bill and they need them today.

The legislation is particularly important during difficult economic times because the economic pressures facing many Americans can pose additional hurdles in leaving abusive relationships. Active community networks are needed to provide support to victims in these circumstances, yet budget cuts result in fewer available services, such as emergency shelters, transitional housing, and counseling.

Late last month, I had the opportunity to speak at the VAWA National Days of Action rally, where survivors and professionals in the field—those who have dedicated their lives to helping victims all over the country—gathered together to send Congress a message. They told me they are very frustrated by the lack of progress in passing VAWA, and rightfully so, because they and the victims they serve are the ones who are affected by Congress's inaction. They were so inspired when this body came together and 68 of us voted to pass it. Now they ask when are we going to finish.

Their message to Congress was loud and clear: Do your job. Pass VAWA now. Supporting the work of these tireless advocates, and the victims they help, should be our priority.

Victims should not be forced to wait any longer. They will not benefit from the improvements we made in the Senate bill unless both Houses of Congress vote to pass this legislation. The problems facing victims of domestic and sexual violence are too serious for Congress to delay. Domestic and sexual violence knows no political party. Its victims are Republican and Democratic, rich and poor, young and old. As I said so many times, a victim is a victim is a victim. Helping these victims, all of these victims, should be our goal.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

### CLIMATE CHANGE

Mr. WHITEHOUSE. Mr. President, we were here two winters ago, in February, when Washington was hit by a snowstorm that achieved the nickname Snowmageddon. The city and, in fact, much of the mid-Atlantic was buried under feet of snow. It was the biggest snowstorm in 90 years for this area. People in Washington were struggling to get to work and school, and people went without power for days.

This being Washington, some of our colleagues in the Senate seized on that opportunity to mock climate change and to suggest these winter snowstorms were inconsistent with the projections of what would happen from global warming and climate change. As an initial matter, that is a false comparison from the very get-go all by

itself. Climate science models have predicted consistently that as polar icecaps and glaciers melt and more water enters the system, we can expect heavier precipitation events. One of the ways it has been described is that if you have a pot on the stove and you have the heat under it and it is simmering, when you turn up the heat, you get more activity in the pot. You add energy to a dynamic system like a pot of boiling water, and it creates more energy in the dynamic environment.

In the same way, the extra energy coming in because of climate change, our carbon pollution in the atmosphere, is energizing our atmosphere and our weather, and we are getting weather extremes as a result.

There was an article in Science Daily, headlined ''Arctic Ice Melt Is Setting Stage for Severe Winters.'' It says this:

The dramatic melt-off of Arctic sea ice due to climate change is hitting closer to home than millions of Americans might think.

That's because melting Arctic sea ice can trigger a domino effect leading to increased odds of severe winter weather outbreaks in the Northern Hemisphere's middle latitudes—think the ''Snowmageddon'' storm that hamstrung Washington, DC, during February 2010.

I ask unanimous consent that this article be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. WHITEHOUSE. That shows the original challenge to climate change theory, based on the incident of Snowmageddon, was like so much that is said to challenge climate change—phony, outright wrong, a misunderstanding of how it works, and misrepresenting what it shows.

Scientists have recently published an article in Oceanography that demonstrates that link between climate change and severe winter weather in the northern Hemisphere's middle latitudes. I think that can be debunked as a phony claim against the facts of climate change that are surrounding us. Look around at what is happening now. We are seeing extreme weather on the other side.

Last week, Eugene Robinson wrote a Washington Post column that was entitled ''Feeling the Heat.'' He wrote:

Still don't believe in climate change? Then you're either deep in denial or delirious from the heat.

He points out that the evidence is mounting in irresistible and ultimately irrefutable ways. To quote from his article:

The National Oceanic and Atmospheric Administration says the past winter was the fourth-warmest on record in the United States. To top that, Spring—which meteorologists define as the months of March, April and May—was the warmest since recordkeeping began in 1895.

Again, this spring—March, April, and May—was the warmest since recordkeeping began in 1895.

He continues:

If you don't believe me or the scientists, ask a farmer whose planting seasons have gone awry.

The Bloomberg news recently wrote a story entitled ''U.S. Corn Growers Farming in Hell as Midwest Heat Spreads.'' The story reported that corn crops are in the worst condition since 1988 and that 53 percent of the Midwest is experiencing moderate to extreme drought conditions.

I ask unanimous consent to have printed in the RECORD, at the conclusion of my remarks, the Bloomberg article I have just referenced.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. WHITEHOUSE. It is not just the agricultural sector that is getting clobbered by the drought and the heat. As the Presiding Officer, Senator UDALL of New Mexico, knows all too well, and to quote from a New York Times story:

Explosive wildfires have burned across much of the west in recent weeks. In southwestern New Mexico, the largest wildfire in state history has burned nearly 300,000 acres.

Of course, New Mexico is the Presiding Officer's home State, but the article also describes other fires on the loose in Colorado and Utah.

The High Park Fire, which has been burning for weeks near Fort Collins and is one of the largest and most destructive blazes in the state's history . . .

The article also mentions that Colorado had more than half a dozen fires burning and said conditions have not been this bad in a decade.

So we are seeing exactly the kind of extreme weather conditions the climate scientists, whom the deniers have always mocked and made fun of, actually predicted. They predicted this would happen, and it is, in fact, happening.

It is clear we can't take a particular storm and say this storm, this fire, this drought was the product of climate change. The example people use to describe what is going on is that it is akin to loading dice. The more someone loads the dice, the more the numbers they have loaded the dice to show up will show up. So we will get more weather events. Even if we don't load the dice, we are sometimes going to get double sixes. We can't show every double six is because the dice were loaded, but when we see more and more double sixes showing up—more than history would suggest or more than the odds would suggest—then something is going on. That is what we have done by loading our atmosphere with carbon pollution. We have loaded the dice for these extreme weather events, and now we are reaping that bitter harvest from the pollution we have thrown up there.

Unfortunately, the bitter harvest in this city is that we continue to listen to propaganda and nonsense from the polluters designed specifically to create enough doubt to prevent us from taking action about something that is creating these immense consequences for foresters and firefighters in the West, for corn farmers in the Midwest, and for anybody who has to experience extraordinary weather events like ''snowmageddon,'' so-called, here in Washington. These things are beginning to have an effect as real life begins to model what the climate scientists predicted.

NOAA's Chief Jane Lubchenco spoke before an audience in Australia, which is experiencing very similar conditions, and said these extreme weather events are convincing many Americans that climate change is a reality. We are seeing that more and more.

Yale, George Mason University, and the Knowledge Networks did some polling on this subject, and 69 percent of the respondents said they agreed that ''global warming is affecting the weather in the United States'' versus 30 percent who said they disagreed. So better than 2 to 1 the American people are ready for us to do something about this. They know there is a connection and they expect us to take responsible action.

Gallup polls are reflecting a rebound in the public's concern about climate change from 51 percent in 2011 up to 55 percent in March of this year. Before the recession, it was all the way up to 66 percent, until the economic issues pushed it aside.

The contention the polluting industries and their mouthpieces here in Washington make—that the jury is still out on climate change caused by carbon pollution—is simply false. The jury is not still out. The verdict is in, the verdict is clear, and we should start doing something about it.

When I come to the Senate floor to give these talks, I often quote a letter from back in October 2009 that was signed by virtually every major scientific organization in the country—the American Chemical Society, the American Geophysical Union, the American Meteorological Society, the American Society of Agronomy, the Botanical Society of America, the Soil Science Society of American, the American Statistical Association, and I could go on and on. The point is not to name all the multiple responsible and respected scientific organizations that signed the letter but to read what it was they said. If we think about it, as I read it, think about how cautious scientists ordinarily are in the language they use. Here is what they said:

Observations throughout the world make it clear—

Clear—

that climate change is occurring, and rigorous scientific research demonstrates—

Not suggests, demonstrates—

that the greenhouse gases emitted by human activities are—

Not maybe, are—

the primary driver. These conclusions are based on multiple independent lines of evidence, and contrary assertions are inconsistent with an objective assessment of the vast body of peer-reviewed science.

That is a very ''sciencey'' way of saying something that is pretty harsh, which is that all these contrary assertions about climate change simply cannot be reconciled with an objective assessment of the facts, of the vast body

of peer-reviewed research. If it can't be reconciled with an objective assessment, what kind of assessment is it getting? What it is getting, I submit, is a phony assessment, a political, propaganda-driven assessment, and an assessment with the purpose of creating enough doubt to slow down political action, to preserve the status quo, and to allow pollution to continue to pour out of these smokestacks.

I speak very specifically about smokestacks because Rhode Island is a downwind State, and so much of the coal pollution that gets piped up into the atmosphere through Midwestern smoke stacks ends up landing in my State. It lands in the form of ozone, in particular. There are days in a Rhode Island summer that look clear, look beautiful, and someone can be driving by sparkling Narragansett Bay in the morning on their way to work when off goes the radio and the radio jock, in giving the news announcements of the day, says: Today is a bad air day in Rhode Island. Infants should stay indoors. The elderly should stay indoors. People with breathing difficulties should stay indoors.

This is an otherwise beautiful day. Yet children, seniors, and people with breathing difficulties should stay indoors? Yes, because corporations, pumping carbon pollution and other forms of pollution out of their Midwestern smokestacks, will not clean up their act. So they get to hold Rhode Islanders, on a clear summer day, captive indoors because they will not clean it up? That is wrong. It is just plain wrong.

I am going to continue to come to the floor on a regular basis to keep pointing this out. For some reason, this has become the issue in Washington that dare not be mentioned. Enough of that. It is time we started to mention it. It is time we started to force this issue, and it is time we started to do something about it because any other form of activity faced with these facts would be wildly irresponsible.

Let me give the example I have used before. You are a parent. You have responsibility for the welfare and well-being of your child. Your child is showing symptoms. You don't know quite what is wrong, but you take her to the doctor and the doctor says: Something is wrong here. She needs treatment. Treatment is not going to be easy, it will not be cheap, but she needs it. You think: OK. That is bad news. I tell you what, I am going to be a responsible parent and I am going to go get a second opinion. So you go and get a second opinion and that doctor says the exact same thing: Your daughter is sick. She needs treatment. So you ask a couple more doctors who are friends. You get a third and fourth opinion.

Let's say you are the most determined parent in the world and you go out and you get 99 second opinions. You contact 100 doctors about your daughter's condition, and 97 of them, 97 of those doctors say your daughter is sick and she needs to be taken care of and she needs this treatment. At that point you say: There is still doubt. There are these three other doctors who aren't so sure about this, so I am not going to do it. That is not something a responsible parent would do. I suspect in some circumstances that would be so irresponsible that it might land you in the child and family services office of your local government.

That is exactly what we are being asked to do about climate change—to ignore the 97 percent of peer-reviewed climate scientists who understand this is real, this is man-made, and the consequences are going to be ferocious for us because there is a 3-percent doubt. It gets even worse because so many of the scientists involved in the 3 percent are scientists for hire who have economic ties to the polluting industries. Some of them even go back to previous fights, such as those over whether cigarette smoking is good for you or whether lead paint is safe for children. These are scientists who have made a career of manufacturing doubt on behalf of the cigarette and tobacco industry, on behalf of the lead paint industry, and now on behalf of the big carbon polluters. In a nutshell, they are phonies, and we are being asked to believe them.

I see the Senator from Florida is here, and I think my time at this point has probably expired. I appreciate the time to come before this body and share these views again. I will close by pointing out if there is one place we truly need to worry about climate change and about the effects of our carbon pollution, it is not just in our atmosphere, it is not just in the climate or in the weather, it is in the oceans. The oceans are undergoing historic changes as a result of the amount of carbon in our atmosphere. We are acidifying our oceans at a rate that is unprecedented. We are now out of a bandwidth that has lasted for 8,000 centuries—8,000 centuries. Our entire species has developed within a safe bandwidth of atmospheric carbon and of ocean acidity that we have now, for the first time, stepped out of and a long way out of. If we do not take this issue on in a responsible way, we are going to bear an even more bitter harvest.

EXHIBIT 1

[From the ScienceDaily, June 6, 2012]

ARCTIC ICE MELT IS SETTING STAGE FOR SEVERE WINTERS

(By Anne Ju)

The dramatic melt-off of Arctic sea ice due to climate change is hitting closer to home than millions of Americans might think.

That's because melting Arctic sea ice can trigger a domino effect leading to increased odds of severe winter weather outbreaks in the Northern Hemisphere's middle latitudes—think the ''Snowmageddon'' storm that hamstrung Washington, D.C., during February 2010.

Cornell's Charles H. Greene, professor of earth and atmospheric sciences, and Bruce C. Monger, senior research associate in the same department, detail this phenomenon in a paper published in the June issue of the journal Oceanography.

''Everyone thinks of Arctic climate change as this remote phenomenon that has little effect on our everyday lives,'' Greene said. ''But what goes on in the Arctic remotely forces our weather patterns here.''

A warmer Earth increases the melting of sea ice during summer, exposing darker ocean water to incoming sunlight. This causes increased absorption of solar radiation and excess summertime heating of the ocean—further accelerating the ice melt. The excess heat is released to the atmosphere, especially during the autumn, decreasing the temperature and atmospheric pressure gradients between the Arctic and middle latitudes.

A diminished latitudinal pressure gradient is associated with a weakening of the winds associated with the polar vortex and jet stream. Since the polar vortex normally retains the cold Arctic air masses up above the Arctic Circle, its weakening allows the cold air to invade lower latitudes.

The recent observations present a new twist to the Arctic Oscillation—a natural pattern of climate variability in the Northern Hemisphere. Before humans began warming the planet, the Arctic's climate system naturally oscillated between conditions favorable and those unfavorable for invasions of cold Arctic air.

''What's happening now is that we are changing the climate system, especially in the Arctic, and that's increasing the odds for the negative AO conditions that favor cold air invasions and severe winter weather outbreaks,'' Greene said. ''It's something to think about given our recent history.''

This past winter, an extended cold snap descended on central and Eastern Europe in mid-January, with temperatures approaching minus 22 degrees Fahrenheit and snowdrifts reaching rooftops. And there were the record snowstorms fresh in the memories of residents from several eastern U.S. cities, such as Washington, New York and Philadelphia, as well as many other parts of the Eastern Seaboard during the previous two years.

Greene and Monger did note that their paper is being published just after one of the warmest winters in the eastern U.S. on record.

''It's a great demonstration of the complexities of our climate system and how they influence our regional weather patterns,'' Greene said.

In any particular region, many factors can have an influence, including the El Nino/La Nina cycle. This winter, La Nina in the Pacific shifted undulations in the jet stream so that while many parts of the Northern Hemisphere were hit by the severe winter weather patterns expected during a bout of negative AO conditions, much of the eastern United States basked in the warm tropical air that swung north with the jet stream.

''It turns out that while the eastern U.S. missed out on the cold and snow this winter, and experienced record-breaking warmth during March, many other parts of the Northern Hemisphere were not so fortunate,'' Greene said.

Europe and Alaska experienced record-breaking winter storms, and the global average temperature during March 2012 was cooler than any other March since 1999.

''A lot of times people say, 'Wait a second, which is it going to be—more snow or more warming?' Well, it depends on a lot of factors, and I guess this was a really good winter demonstrating that,'' Greene said. ''What we can expect, however, is the Arctic wildcard stacking the deck in favor of more severe winter outbreaks in the future.''

EXHIBIT 2

[From Bloomberg, July 9, 2012]

U.S. CORN GROWERS FARMING IN HELL AS MIDWEST HEAT SPREADS

(By Jeff Wilson)

The worst U.S. drought since Ronald Reagan was president is withering the world's largest corn crop, and the speed of the damage may spur the government to make a record cut in its July estimate for domestic inventories.

Tumbling yields will combine with the greatest-ever global demand to leave U.S. stockpiles on Sept. 1, 2013, at 1.216 billion bushels (30.89 million metric tons), according to the average of 31 analyst estimates compiled by Bloomberg. That's 35 percent below the U.S. Department of Agriculture's June 12 forecast, implying the biggest reduction since at least 1973. The USDA updates its harvest and inventory estimates July 11.

Crops on July 1 were in the worst condition since 1988, and a Midwest heat wave last week set or tied 1,067 temperature records, government data show. Prices surged 37 percent in three weeks, and Rabobank International said June 28 that corn may rise 9.9 percent more by December to near a record $8 a bushel. The gain is threatening to boost food costs the United Nations says fell 15 percent from a record in February 2011 and feed prices for meat producers including Smithfield Foods Inc. (SFD)

''The drought is much worse than last year and approaching the 1988 disaster,'' said John Cory, the chief executive officer of Rochester, Indiana-based grain processor Prairie Mills Products LLC. ''There are crops that won't make it. The dairy and livestock industries are going to get hit very hard. People are just beginning to realize the depth of the problem.''

TOP COMMODITIES

Corn rallied 18 percent in the month through July 6 on the Chicago Board of Trade to $6.93, trailing only wheat among 24 commodities tracked by the Standard & Poor's GSCI Spot Index, which rose 2 percent. The MSCI All-Country World Index of equities advanced 4 percent, and the dollar gained 1.3 percent against a basket of six currencies in the period. Treasuries returned 0.5 percent, a Bank of America Corp. index shows. Corn for December delivery in Chicago extended the rally today, jumping 5.3 percent to settle at $7.30.

About 53 percent of the Midwest, where farmers harvested 60 percent of last year's U.S. crop, had moderate to extreme drought conditions as of July 3, the highest since the government-funded U.S. Drought Monitor in Lincoln, Nebraska, began tracking the data in 2000. In the seven days ended July 6, temperatures in the region averaged as much as 15 degrees Fahrenheit above normal. Soil moisture in Illinois, Indiana, Ohio, Missouri and Kentucky is so low that it ranks in the 10th percentile among all other years since 1895.

Fields are parched just as corn plants began to pollinate, a critical period for determining kernel development and final yields. About 48 percent of the crop in the U.S., the world's largest grower and exporter, was in good or excellent condition as of July 1, the lowest for that date since 1988 and down from 77 percent on May 18, government data show.

YIELD LOSSES

The USDA may cut its production forecast by 8.5 percent, the biggest July reduction since a drought in 1988 led the government to cut its estimate by 29 percent, a separate Bloomberg survey of 14 analysts showed. Farmers probably will collect 13.534 billion bushels, compared with the USDA's June forecast for a record 14.79 billion, based on the average of estimates in the survey.

Goldman Sachs Group Inc. said July 2 that yields will reach 153.5 bushels an acre, below the USDA estimate for an all-time high of 166.

''Corn yields were falling five bushels a day during the past week'' in the driest parts of the Midwest, said Fred Below, a plant biologist at the University of Illinois in Urbana. ''You couldn't choreograph worse weather conditions for pollination. It's like farming in hell.''

RECORD CROP

Even with the drought, U.S. production in 2012 is expected to rise 9.5 percent from last year to a record after farmers sowed the most acres since 1937, the survey showed. Higher output would help boost inventories before next year's harvest, up from what analysts said will be a 16-year low on Sept. 1 of 837 million bushels.

Futures fell 2.2 percent on July 6, the most in two weeks, after the USDA reported a 90 percent drop in export sales in the week ended June 28. U.S. refiners curbed output of corn-based ethanol last week to the lowest since September as gasoline demand weakened, government data show.

Corn's rally also may stall if Europe's widening debt crisis and a faltering global economy erode record demand for the grain. The International Monetary Fund will reduce its estimate for growth this year because of weakness in investment, employment and manufacturing in Europe, the U.S., Brazil, India and China, Managing Director Christine Lagarde said July 6.

''The shrinking global economy is the elephant in the room that no one wants to discuss as long as U.S. crops are under siege,'' said Dale Durcholz, the senior market analyst for Bloomington, Illinois-based AgriVisor LLC. ''Corn demand at $5 is much more robust than when it costs $7.''

CHANGING EXPECTATIONS

Corn tumbled into a bear market in September and kept dropping as farmers planted more crops. Robert Manly, the chief financial officer at Smithfield Foods, the largest U.S. pork producer, told analysts on a June 14 conference call that hog-raising costs would ''begin to decline starting in the fall.'' Corn has surged 41 percent since then, reaching a nine-month high today.

U.S. corn production may drop to 11 billion bushels, the smallest crop in seven years, because the hot, dry weather killed the pollen and rains now may be too late to reverse the damage, according to Cory, the Indiana mill owner and a former investment banker. Prices may reach $9 before demand slows, he said.

World corn use rose to a record every year since 1997 as the expanding economy boosted incomes and the consumption of meat and dairy products from animals raised on the grain. The USDA projected last month a 6.4 percent increase in global demand to 923.39 million tons in the year that starts Sept. 1, the biggest gain in six years. More U.S. output went to ethanol production than livestock feed in 2011 for the first time ever.

VULNERABLE PERIOD

While the U.S. harvest is about two months away, the drought reached plants at the most vulnerable period in their growing cycle, said Nick Higgins, a London-based analyst at Rabobank, predicting a 13.488 billion-bushel harvest.

Based on current soil moisture and June temperatures, the drought is probably the worst since 1988, said Joel Widenor, a vice president at the Commodity Weather Group in Bethesda, Maryland. The private forecaster said July 5 that corn output this year will be 13.52 billion bushels, and that hot, dry weather in the next two weeks may reduce yields further.

The drought may spark a rebound in global food prices this month through October, halting a slide that sent costs in June to the lowest level in 21 months, Abdolreza Abbassian, an economist in Rome at the United Nations' Food & Agriculture Organization, said July 5.

BASE INGREDIENT

''Corn is key because of its widespread use as a base ingredient in so many foods and for its use in feed for livestock,'' said Stanley Crouch, who helps oversee $2 billion of assets as chief investment officer at New York-based Aegis Capital Corp. ''We are at the tipping point.''

In May, retail prices of boneless hams, ground beef and cheese in the U.S. were close to all-time highs set earlier this year, while chicken breast jumped more than 12 percent during the first five months of the year, government data show.

''When people look at rising prices for hamburger, butter, eggs and other protein sources from higher corn costs, that's when more money ends up in the food basket,'' said Minneapolis-based Michael Swanson, a senior agricultural economist at Wells Fargo & Co., the biggest U.S. farm lender. ''We were hoping for a break, and we aren't going to get it.''

Mr. WHITEHOUSE. I thank the Presiding Officer, and I yield the floor.

The PRESIDING OFFICER (Mr. CARDIN). The Senator from South Dakota.

Mr. THUNE. Mr. President, are we in morning business?

The PRESIDING OFFICER. We are in postcloture time.

HEALTH CARE

Mr. THUNE. Mr. President, when Congress began debating health care in 2009, the goal was to lower the cost of care and give Americans the care they need from a doctor they choose.

Americans were promised that if they liked the insurance they had and the doctor they had, they would be able to keep the plan and to continue to see the doctor they liked. Americans were promised that the negotiations would be transparent and televised on C–SPAN. Americans were promised the bill wouldn't add a dime to the deficit, and that it would lower the cost of care. Americans were promised their premiums would go down by $2,500. Americans were promised this President would not raise taxes on families with incomes below $250,000.

Instead, Congress passed a massive governmental takeover of the health care industry. In the last 2 years, we have seen that Americans can't keep the insurance they had, continue to see the doctor they like, and are paying more for health care now than they would have if this administration had not pushed through the massive 2,700-page bill. The law adds billions to the deficit. And at the end of the day, Americans will find they are left holding a bag full of empty, broken promises.

Today I want to focus on the broken promises of taxes. The President pledged not to raise taxes on individuals making less than $200,000 and families making less than $250,000 per year.

Yet the new individual mandate tax—which the Supreme Court affirmed as a tax increase—will raise $54 billion in new taxes, largely on middle-income Americans between 2015 and 2022.

In fact, according to the Congressional Budget Office, 77 percent of those projected to pay the tax in 2016 will be those earning less than $120,000 per year. Americans earning less than $120,000 clearly meet the President's definition as middle income.

The Congressional Budget Office projections confirm that at least three out of every four Americans subjected to the new individual mandate tax will be the same middle-income taxpayers President Obama promised would not see their taxes raised by one dime.

In fact, when asked by George Stephanopoulos of ''ABC News'' in September of 2009 if the President rejected the notion that the individual mandate was a tax, the President stated, ''I absolutely reject that notion.'' The President wasn't equivocal and he didn't leave any room for interpretation.

So let's be clear. This President and the Democratic leaders here in Congress sold ObamaCare as if it did not contain significant new tax increases on the middle class. Yet what they now know what they were selling was an incredible bait and switch. They were in fact enacting $54 billion in new individual mandate taxes primarily on the middle class by calling it something else.

I would note that this tax increase is larger than the ''Buffett rule'' tax increase the President has spent much of the year promoting.

The Supreme Court ruled that the individual mandate is not constitutional under either the Commerce Clause or the Necessary and Proper Clause of the Constitution. So there are only two options: Either the individual mandate is a tax—and it happens to be a tax that falls hardest on the middle class—or it is unconstitutional.

It is estimated that average tax on an American subject to this new tax increase will be about $1,100 per year. And after paying this tax, these Americans still won't have health insurance.

We should not forget that the national health insurance tax is not the only tax increase in ObamaCare affecting individuals. Starting next year, individuals will be able to save less money, taxfree, in Flexible Spending Accounts to pay for their own healthcare expenses. Currently, there is no statutory limit on FSA contributions, though many FSAs set their own limits. Starting next year, ObamaCare will cap the amount Americans can save in a Flexible Savings Account at only $2,500 per year, and ObamaCare will limit tax deductions for those with the largest health care needs by reducing the medical expense deduction from expenses above 7.5 percent of adjusted gross income to expenses above 10 percent of adjusted gross income. So at the very time ObamaCare is driving up health care costs, it is also making it more difficult for American families to pay for their own healthcare needs.

These tax increases don't even take into account the new 3.8-percent tax increase on investment income or the almost 1-percent Medicare surtax that will be imposed on higher income Americans starting in 2013, making it more expensive for small business owners to hire new workers or otherwise invest in our economy.

These taxes on individuals are in addition to the ObamaCare taxes on businesses, such as the new medical device tax or the tanning tax. We know these taxes on businesses will ultimately be passed through to consumers of health care, driving health care prices even higher.

In fact, of the $552 billion in new taxes included in ObamaCare, according to the Joint Committee on Taxation and the Congressional Budget Office, the Joint Economic Committee has estimated that roughly $250 billion is tax increases that will hit the middle class either directly or through the health care products they consume.

In addition to this new national health insurance tax of $1,100 a year and other increases in ObamaCare, Americans will see that health care costs will continue to rise.

Despite the President's promise that his health care plan would reduce insurance premiums, premiums have increased by over $2,200 since Obama took office, according to the Kaiser Family Foundation. And according to the President's own Actuary at the Centers for Medicare and Medicaid Services in a report from this month on national health expenditure projections, premiums under the new health care law will rise faster than if we had done nothing at all. I want to quote from that report.

> In 2014, growth in private health insurance premiums is expected to accelerate to 7.9 percent, or 4.1 percentage points higher than in the absence of health reform.

Think about what is actually being said here. The cost of health insurance would have gone up a lot less per year had we done nothing than what we did with this bill, which is to increase those expenditures for health care by about 7.9 percent.

Americans are going to be stuck paying higher costs for health insurance medical devices due to the tax on these sectors that this bill imposes.

Americans know firsthand that we are going to continue to struggle with an economy that is not performing well. The unemployment rate remains above 8 percent for 41 consecutive months. On the immediate horizon the American people stare down an enormous tax increase, from a health reform law they didn't want and still don't want.

Americans are also seeing this law has impacted our economy. According to a recent poll, 48 percent of businesses that are not currently hiring list the potential cost of health care regulations as a reason for not seeking new employees. And according to the Congressional Budget Office, ObamaCare will mean 800,000 fewer jobs over the next decade. The last 3 years have made it very clear that ObamaCare is making our economy worse by driving up costs and discouraging job creation.

Moving forward, Congress needs to start by repealing ObamaCare. We need to repeal ObamaCare and enact commonsense, step-by-step reforms that protect Americans' access from the care they need, from the doctor they choose, at a lower cost.

Republicans will not repeat the Democrats' mistakes. We will not rush to pass a massive bill the American people don't support. We need to do this the right way: No backroom deals or 2,700-page bills that no one has read.

This President owes it to Americans to admit his broken promises, and to work with Republicans to put in place real health care reforms that will actually help lower health insurance costs for individuals and families and ensure that Americans can get the care they need when they need it.

The taxes I have mentioned in the health care law are going to add up to a massive tax increase on average ordinary Americans. All the analyses that have been done by the Joint Committee on Taxation, the Congressional Budget Office, and the Joint Economic Committee come to that very same conclusion.

This is a tax that is going to hit middle-class Americans, notwithstanding the President's promise that he wouldn't raise taxes on those making less than $200,000 a year. Seventy-five percent of that tax burden from that individual mandate tax—which is $54 billion—will hit those making less than $120,000 per year.

So the whole idea of promises made and promises broken I think is the narrative that has attached itself to this health care reform law. I submit that the Congress and the President need to work together to repeal this law and to work in a constructive way to put in place commonsense, step-by-step reforms that actually will drive the cost of health care down for Americans, because that is the one thing that Americans, as they look at the health care economy today, want to see. They want to know their costs are going to go down rather than up, and they continue to see these increases in premiums year over year and that continues to affect our economy.

The mandates that are imposed upon employers in this health care law as well are going to lead to fewer jobs. That is the outcome of this health care law. It is higher costs for Americans, and it is going to mean fewer jobs for American workers.

Coupled with that, we have seen as recently as yesterday the President saying he now wants to raise taxes on those small businesses in our country.

The tax he has proposed on those making more than $250,000 a year, interestingly enough, hits 940,000 small business owners. Fifty-three percent of the passthrough income would face higher taxes as a result of the proposal he made yesterday. The people who run those businesses employ 25 percent of the American workforce. So we are talking about huge new burdens on our economy at a time when we absolutely cannot afford it: 41 consecutive months of 8-percent or higher unemployment; 23 million Americans either unemployed or underemployed; 5.4 million Americans who have been unemployed for a long period of time; and the weakest recovery literally since the end of World War II. Those are the economic circumstances we find ourselves in today, and now we have proposals coming out of the White House, in addition to the burdens imposed by ObamaCare, that would lead to higher taxes on the very people we look to to get us out of this economic circumstance, and that is our small businesses and entrepreneurs, all of whom are going to be faced with higher taxes because of the President's proposals.

We can do better for the American people. We can get this economy growing again with commonsense health care reforms, commonsense tax reforms, regulatory reforms that lower the cost and the burden of doing business in this country, a comprehensive energy policy that will make sure we are developing our own energy sources in this country, and getting Federal spending under control.

We need a smaller Federal Government and a bigger, more robust private economy. You cannot do that by continually piling more taxes and more regulations and more mandates and more requirements on the very people who create jobs. The American people deserve better and we can do better.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Florida is recognized.

ORDER OF PROCEDURE

Mr. NELSON of Florida. Mr. President, as a courtesy to Senator INHOFE, I ask unanimous consent that Senator INHOFE be recognized after my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INHOFE. Mr. President, I ask unanimous consent that at the conclusion of the remarks by the Senator from Florida the Senator from Wyoming be recognized, and then I be recognized after the Senator from Wyoming for up to 35 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

VETERANS UNEMPLOYMENT

Mr. NELSON of Florida. Mr. President, on the battlefield there is a code among the military that you don't leave anybody behind. That principle ought to apply to our returning veterans as well. It is essential for us to care for our veterans when they get home and show them the same respect and loyalty they showed us during their service.

This economic downturn has been especially tough for many of our veterans as they come back from Iraq and Afghanistan. The unemployment rate among veterans returning from those two countries was 9.5 percent in June. While this is clearly an improvement from last year, and an improvement in the entire economy over the last couple of years, it is still more than a point higher than the national average. For our youngest veterans, it is even worse—29 percent in 2011.

Our servicemembers have already done the toughest jobs out there. They are highly trained and extremely skilled. We ought to give them as many opportunities as possible to succeed when they get home. That means when veterans come back from war, they shouldn't have to do battle with bureaucrats.

I wanted to make a commonsense suggestion, so I filed a bill—which recently passed both the House and the Senate—to remove some of those bureaucratic obstacles in our veterans' way and to make it easier for them to get occupational and professional licenses when they get home. The Veteran Skills to Jobs Act is a bipartisan bill cosponsored by 17 Senators and supported by veterans organizations such as the American Legion. I ask unanimous consent that the American Legion's commentary on this legislation be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. NELSON of Florida. The bill directs Federal agencies to recognize relevant military training when certifying veterans for Federal occupational licenses. It is common sense. If veterans have skills learned in the military, they ought to be able to utilize those skills, that training, without having to go through duplicate training when they get into a specialized civilian job. If the military training is found to be comparable to the civilian requirements, the veteran would be deemed qualified for that occupation.

These are the licenses people need in order to get jobs in the civilian sector.

I want to give an example. Let's say an Air Force or Navy aircraft mechanic gets out of the service. That veteran may want to use those skills learned in the military to work in the commercial airline business. To do so, that veteran must be certified as an aircraft mechanic technician, certified by the Federal Aviation Administration. This requires an airframes and powerplant license from the FAA.

Although the veteran has trained to do this, this highly skilled occupation for our military, what we are seeing all too often is common sense goes out the window, and that veteran may have to go through redundant and expensive training to get that airframes and powerplant license. Of course, that does not make sense.

This is not just a Federal issue. Many States are starting to recognize military training when certifying veterans for State licenses, such as nurses and truckdrivers. I am pleased that the Federal Government will now move in this direction as well. We have already passed it unanimously in the Senate; likewise, they have passed it in the House. Both bills are down in the other's respective Chambers. We need to go ahead and pass this legislation. Today I will move for final passage of the bill, and I know of no objection since we got it out of the Senate unanimously.

One of the greatest honors I have in my job is getting to meet and thank our veterans and current members of our military and all of our national security apparatus. It is up to us to stand by these folks. Passing legislation to help employ veterans, such as the Veteran Skills to Jobs Act, is one way we can thank them.

EXHIBIT 1

THE AMERICAN LEGION,
OFFICE OF THE NATIONAL COMMANDER,
*Washington, DC, March 30, 2012.*

Hon. BILL NELSON,
*U.S. Senate, Hart Senate Office Building, Washington, DC.*

DEAR SENATOR NELSON: On behalf of the 2.4 million members of The American Legion, I would like to express support for S. 2239, the Veteran Skills to Jobs Act of 2012, which provides for Federal certification of veterans who have been qualified for licensure through relevant military training.

With an anemic economy and a downsizing military, it is essential veterans be given the ability to quickly find civilian employment upon separation from the military. Without these types of opportunities, separating military personnel could add to the unemployment problem currently faced by millions of Americans. Federal certification and licensure of veterans who have received relevant training will assist in this process of ensuring that veterans are able to smoothly and quickly transition between military and civilian employment. Matching qualified veterans with Federal licenses which require their expertise is good for veterans, good for the economy and good for the country.

Again, The American Legion fully supports enacting S. 2239 and applauds your leadership in addressing this critical issue facing our nation's veterans and their families.

Sincerely,

FANG A. WONG,
*National Commander.*

The PRESIDING OFFICER. The Senator from Wyoming.

A SECOND OPINION

Mr. BARRASSO. Mr. President, I come to the floor today, as I do week after week, ever since the President's health care law has been passed, to offer a doctor's second opinion about this health care law, which I believe is bad for patients, bad for providers—the nurses and doctors who take care of those patients—and terrible for taxpayers.

We saw the Supreme Court issue its historic decision on the President's health care law. The Court confirmed that the individual mandate in the President's health care law is a tax. The President said it was not a tax. I

will just say the Supreme Court confirmed that it is in fact a tax. The decision makes it clear that the Internal Revenue Service, the IRS, will now play an unprecedented role in America's health care system.

That is not something American citizens have asked for or want, but it is something many American citizens fear. Recently, the Associated Press highlighted this concern in an article titled, ''Tax Man Cometh to Police You on Health Care.''

''Tax Man Cometh to Police You on Health Care.''

The article points out that the health care law contains the largest set of tax changes in more than 20 years. To be specific, according to the Congressional Budget Office, there are at least 18 separate taxes contained in the health care law. These taxes are expected to cost taxpayers more than $500 billion over the next 10 years.

The Associated Press points out that the IRS is expected to spend over $880 million just to implement the law from 2010 to 2013, and to do this they are going to hire more than 2,700 new government workers. This could be just the tip of the iceberg. According to a report issued by the House Ways and Means Committee, the Internal Revenue Service may need as many as 16,500 additional bureaucrats to enforce the President's health care law—now the President's health care tax.

One of these taxes the agents are going to be enforcing is something called the individual mandate. This is the part of the law that forces every American to have health insurance. If they do not have it, the law forces them to purchase health insurance—and not just any health insurance. No, no, not at all. They need to purchase government-approved health insurance. This is not necessarily something this family thinks is right for them and their needs and their insurance and their family. No, that is not good enough. They have to purchase government-approved insurance, and the IRS is going to check on them to make sure they do.

According to the Congressional Budget Office, 77 percent of those forced to pay the tax will be people making less than $120,000 a year. President Obama repeatedly promised he would not raise taxes on the middle class. Specifically, he promised that no family making less than $250,000 a year would see any form of tax increase.

Let me just quote. The President of the United States said:

> I can make a firm pledge. Under my plan, no family making less than $250,000 a year will see any form of tax increase . . .

The President went on to say ''not your income tax.'' He said ''not your payroll tax.'' He said ''not your capital gains tax.'' He finished it by saying ''not any of your taxes.''

But when the President's lawyers went before the Supreme Court, they did just the opposite. They argued that this mandate was indeed a tax. The Solicitor General even stated that the Court had an obligation to construe the mandate as a tax. He said it could be upheld on that basis.

As it turns out, a majority of the Supreme Court agreed that the mandate was constitutional, but only because it is a tax. In short, the Supreme Court confirmed that the President has broken his promise to middle-class families; and it is the promise that he made to not raise taxes. In fact, the President's individual mandate tax will produce more tax revenue for the government than the so-called Buffett rule that this administration has been supporting.

While supporters of the health care law may support using the IRS to scare people into getting health insurance, most Americans do not think this is the right policy for our country. Back when Congress was debating this health care law, the American people were looking for reform, health care reform that would actually lower the cost of care, not raise their taxes. They wanted a law that helped train more doctors and more nurses to take care of them, not more tax collectors to look into their life and their records. The last thing they want is the IRS breathing down their necks and banging down their doors. But that is what the American people have gotten through the President's health care law, and that is what they are stuck with unless Congress and the White House repeal and replace this flawed and failed law.

As a physician with 25 years of experience taking care of families all around Wyoming, I believe there is a better way. We can implement commonsense reforms in a step-by-step way that allows people to purchase insurance across State lines, reform medical liability laws, and strengthen State high-risk pools. These simple changes will help lower the cost of care without forcing millions of Americans to live in the fear of the Internal Revenue Service.

That is why I am going to continue to come to the Senate floor and call on Congress to repeal the President's health care law. It is time for Americans to get what they were looking for in the beginning but do not get as a result of the President's health care law. What they are looking for is the care they need from the doctor that they choose at a lower cost.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

## GLOBAL WARMING HYSTERIA

Mr. INHOFE. Mr. President, I have to say that I enjoy these second opinions when they come from such a well-known doctor who knows what he is talking about. Quite often we in this body are forced to kind of assume we are experts in every area. It is nice to have a few who really are. I think I don't say it very often, but I actually learn something when I hear him talk.

Anyway, that is not why I am here today. I hope to help provide some sense and balance and accuracy which is clearly lacking in the mainstream media trying to drum up support for the global warming hysteria again.

I have to say it is like we are back to the good-old days. We talked about this for 10 years. There are different people coming up with legislation, the cap-and-trade legislation. They found out, of course, that the American people realized it was a gigantic tax and there were no benefits, so it kind of went by the wayside. But there is a new thing happening, and it was interesting because just last Friday one of the Obama appointees to the National Oceanic and Atmosphere Association said to the Associated Press:

> The wildfires and hot temperatures over the past few weeks will likely convince Americans that global warming is real.

In other words, they are now trying to tie them together. They have never tried to do this before because that is one of the few things that all experts agree on: that one isolated case doesn't make a case for major changes in the weather. This is kind of a dangerous game to play because what are they going to say when winter comes and it is going to get cold? As soon as it gets cold I can tell you what they are going to say. They are not going to use global warming; they are going to use climate change.

As the season changes, the terminology changes, and they will start saying just because the temperatures are freezing doesn't mean the planet is not overheating—if you follow through the double negatives.

My good friend from Rhode Island commented on the famous igloo. This was pretty prominent two summers ago. Let me tell you the story of where we got to the igloo. As most people know, because I brag about it all the time, I have 20 kids and grandkids.

This happens to be one family. You cannot see them as well. It is six of the most beautiful people we have ever seen. It happens to be my daughter and her husband and their family of four kids.

Anyway this would have been in February 2010. Some of us remember how cold it was during that time. It happens that one of my kids—the only one who is adopted is a little girl, an orphan from Ethiopia, whom we found and nursed back to health. My daughter Molly, who had nothing but boys, adopted this little girl.

Put her picture up there. She is a pretty little girl. She has become kind of a hero.

Every February I sponsor something called the African dinner where about 400 of our friends from Africa come over, and we are establishing close, intimate relations with them. It happens that 12 years ago, we found the little girl who is pictured on the poster. She is now a 12-year-old little girl. She reads at college level. She is smart and she is the main speaker every time we have this dinner.

In February 2010, little Zegita Marie was up here and she brought her whole

family and made her speech. It was a beautiful thing. Afterwards, as they were getting ready to take the plane back home, the blizzards came, and all of the airports in the area shut down. There was no way they could get back. So what do you do with a family of six when you are snowbound and there is nothing but snow and ice on the ground? You make an igloo. So they did.

That is a real igloo. It sleeps four people. I know that; I was in it. It was right by the Library of Congress. The sign on the top said: Al Gore's new home. Actually, I think it may have said: Honk if you want global warming—or something like that. Anyway, everyone was having a good time.

Some of my liberal friends were so upset. One of them was Keith Olbermann. Keith Olbermann, who was with MSNBC, designated my daughter Molly's family of six as the worst family in America. Now, there is her husband who is very prominent in Fayetteville, AR. My daughter Molly is a professor at the university. She was designated as Outstanding Professor of the Year this year. She will be marching out during the homecoming on November 3 to accept that award. It is quite an outstanding family, and the kids are all straight-A students and all of that wonderful stuff.

So that is the famous igloo. It has been a long time since we had a chance to talk about it. There we have Molly, James, Jase, Luke, Jonah, and Marie enjoying that. Believe it or not, that is the worst family in America.

Well, just after the igloo story broke, a reporter by the name of Dana Milbank warned the alarmists. Keep in mind the terminology we use. Those people who think the world is coming to an end because catastrophic global warming is coming is all due to manmade gases, so we need to shut down America. Those are the alarmists.

The skeptics are people like me, those who look at it and say science has been stripped out by the United Nations for an ulterior motive. Dana Milbank has been very much on the other side of the issue and warned the alarmists to stop using weather to justify global warming because then what do they do when the weather doesn't cooperate with their predictions of the melting planet.

He wrote:

> In Washington's blizzards, the greens were hoist by their own petard.

He said:

> If the Washington snows persuade the greens to put away the slides of polar bears and pine beetles and to keep the focus on national security and jobs, it will have been worth the shoveling.

But not everyone got that memo. In July 2010, the hot summer that followed the intense blizzards when my family put up the igloo, Jon Karl of ABC News asked me to do an interview outside in the heat. It was obviously an ambush. People who know me well know I enjoy ambushes, so I went out there in the heat. They got ready with the cameras rolling, and they had a pan with an egg on it. They were going to fry it, but it didn't fry. Nice try, but it didn't work.

I am sure some here may have noticed that somebody else tried this last weekend. Last weekend I happened to be in the Farnborough Airshow, which I go to every year. While I was at the airshow, I got a call from home telling me that they have kind of resurrected the igloo, and they were talking about that. They were planning a great big event on The Mall, and in the event they were going to take the thing, called ''Hoax''—let me go back to 2003.

In 2003 when I realized and I started hearing from a lot of the real scientists that it was a hoax, I made the comment that the notion of catastrophic global warming is due to manmade anthropogenic $CO_2$ and manmade gases. It is the greatest hoax ever perpetrated on the American people. So that is where ''Hoax'' came from.

So they had a great big thing made of ice. Apparently, it was the size of a car. It said ''Hoax'' with a question mark. They were going to put it out there and it was going to melt and they were going to make a big issue out of it.

The problem is nobody showed. So what did they do? They felt they couldn't do this if there were no cameras, so they called it off. They used the excuse that there had been a storm, and they thought this might be offensive to people who lost electricity in the storm. Anyway, that thing went under too.

So in addition to the recent activity from my alarmist friends, the hot weather has also brought some of my favorite global warming reporters out of hiding, and they have been all too eager to link today's weather events to manmade greenhouse gases. Of course, many of the most outspoken global warming alarmists and scientists have been happy to play along. The important point is that no one, not even the most committed alarmist, can claim that any percentage of the warm weather is due to manmade greenhouse gases. I will go into more detail in just a minute.

This is an inconvenient truth that global warming reporters have kept out of their headlines, and in some cases their stories as well.

Seth Borenstein of the Associated Press is a good guy. He is on the other side of this issue, but he is one of these guys I still like. He is one of the most prominent global warming reporters. He came out last week with another scary headline proclaiming: ''This US summer is what global warming looks like.''

Some quotes and stories appeared in Reuters, The Hill, and Politico. Yesterday morning Time magazine ran a piece by Bryan Walsh with the headline, ''Now Do You Believe in Global Warming?'' I was happy to see that Mr. Walsh began his article in Time magazine with a picture of my family in their igloo. He concluded his piece with:

> We're living in an igloo in the summertime, and the ice melting all around us.

It is kind of interesting that they try to talk about global warming, but all of a sudden they changed it to cooling.

This was in the New York Times. They said:

> This summer has been conspicuously different in New York City, not one 99-degree day in Central Park. Not a single day that the temperature even approached 90. For just the second time in 140 years of record keeping, the temperatures failed to reach 90 in either June or July.
>
> The daily average last month was at or below normal every day but two. The temperature broke 80 on 16 days in New York.

So it goes on to say that the problem they are having is it is unusually cool. But that didn't inure to the benefit of the alarmists, so that wasn't used.

So it is time to take a trip down Memory Lane. Don't forget that Time is the same publication that told us in 1974 that we should be very concerned about the coming ice age.

There it is. Every magazine had it. Newsweek had the same thing. All the other magazines said another ice age is coming, and we are all going to die.

Since there is time to do this, I will mention one thing which is not in my notes. Think about how many times this has happened. Let's look at the last 100 years. We will start with 1895. From 1895 to 1925, we went through a 30-year period that was a cooling period. Everyone back then was saying another ice age is coming, and we are all going to die.

From 1925 to 1945, for that 20-year period, we went through a warming period. That is when they coined the phrase ''global warming.'' That was way back in the 1930s. From 1945 to 1975 we went into a cooling period. Again, we talked about how an ice age is coming. After that, we went into a warming period that went up to the turn of the century. Now it is actually going down into a cooling period again, but that was actually a chart.

I guess what I am saying is every 20 or 30 years, we go through this. We go through the same hysteria, and everyone goes crazy and says the world is coming to an end. The interesting thing about this is that the time in world history when we had the greatest surge of $CO_2$ was right after World War II. That was in 1945, and that precipitated not a warming period with all of that $CO_2$, but a cooling period that endured for 30 years. Those were the headlines in the paper.

Now 30 years later, during the height of the global warming movement, they changed their tune. The image that is sealed in everyone's mind is the Time magazine cover, which we have: ''Be Worried, Be Very Worried.'' There is the last polar bear standing on the last cube of ice. Everything is melting, and we are all going to die. Again, that is Time magazine.

If I were on the board of directors of Time magazine, I would probably do

the same thing. It is a competitive business, and they have to sell magazines. The truth is when we ask the alarmists directly, they will specifically link the recent weather events to human activity. How do we know this? We recently came across a reported conference held by a group called Climate Communication. This is a very liberal group. As their Web site confirmed, this call was held to spoonfeed talking points to reporters on how to link the heat over the past few weeks to manmade global warming.

To his credit, AP reporter Seth Borenstein asked the most important question of the call. He asked: What percentage of the recent warm weather can be attributed to manmade gases? I want to be completely accurate, so I would like to quote in full Borenstein's question as well as the answers he got from Dr. Michael Oppenheimer and Dr. Steven Running, two of the foremost global warming alarmist scientists. This is what Seth Borenstein said:

> Let me try to put you more on the spot, Mike and Steve: I know there's attribution—you haven't done attribution studies, but if you ballparked it right now and had to put a percentage number on this, on the percent that the heat wave, the percentage of blame you can put on anthropogenic climate change, on this current heat wave, and on the fires, what percentage would the two of you use?

Dr. Oppenheimer, who is a scientist, said:

> Come on, I'm not going to answer that. Yes, I will answer it, and my answer is: I won't do it. You know, we have to do things carefully, because if you don't, we are going to end up with bogus information out there. People will start disbelieving because you'll be more wrong, more often. This is not the kind of thing I want to do off the top of my head. Nor do I think it can be done, you know, convincingly without really taking—doing careful analysis, so I'll pass on this one and see if Steve has a different view.

Well, Dr. Steve Running said:

> Well, I already got way too hypothetical on my last answer. Yeah, it's . . . probably really dangerous for us to just lob out a number.

Well, this goes on and on and on. I have all of this down. It is actually all in the record at this point, so it is redundant. He keeps trying to get them to say there is a percentage of chance that this warm weather is due to global warming.

Now, we have to stop for a minute because we have seen that Seth Borenstein was asking the inconvenient question. One of the moderators tried to step in and tell the AP reporter that his question was a bad one.

Let me quote that one again, Susan Hossel, moderator for the event, said:

> Seth, most of the scientists I talk to say it is a contributing factor and that's what we can say and that it's really not even really a well-posed question to ask for a percentage, because it just—what you're asking really is for a model to determine the chances of this happening without climate change or with climate change and models are not very good.

So we see how he responded. He said:

> I understand, I've been covering this for 20 years, I understand. I don't need a lecture, thank you very much. What I'm asking for is—

And he went on. Obviously, he was never able to get it.

Here is the irony: Their Web site specifically explains that the purpose of the call is to give reporters a link relating hot weather to human-caused global warming.

It states:

> Climate Communication hosted a press conference featuring experts discussing the connections between extreme heat and climate change.

But when pressed, they couldn't make the link. Again, Borenstein asked a great question, a question that badly needed to be asked. Unfortunately, none of the information appeared in his article for the AP. Without that link, Borenstein was forced to make his article about what global warming could look like in the future. But in doing so, he left out any mention of uncertainty expressed by the scientist.

Borenstein quoted Chris Field, a leading author of the Intergovernmental Panel on Climate Change. That is the United Nations that started this whole thing, and they are the ones who were stacking the scientists. He is one of the individuals. According to Field, this report warns of ''unprecedented extreme weather events'' due to global warming. But, as usual, Borenstein failed to mention that even the IPCC, which normally heightens the fear factor as much as possible, admitted in that same March report that there is significant uncertainty regarding linking extreme weather events to human causes.

Also missing from the article was the mention of Borenstein's interview from climatologist Judith Curry of the Georgia Institute of Technology. Fortunately, she was good enough to post her answers on her blog since he didn't use it. Curry explained:

> We saw these kinds of heat waves in the 1930's, and those were definitely not caused by greenhouse gases. Weather variability changes on multidecadal time scales, associated with large ocean oscillations. I don't think that what we are seeing this summer is outside the range of natural variability for the past century. In terms of heat waves, particularly in cities, urbanization can also contribute to the warming.

There was another interesting part of the conference call that I think is worth mentioning. When ABC News reporter Bill Blakemore asked about the effect of La Nina and El Nino on today's hot weather, Dr. Oppenheimer was again uncomfortable about this question and said it was ''off message.'' Yet NOAA—that is, the N-O-A-A—came out yesterday with a different opinion. Andrew Revkin of the New York Times explained on his blog:

> In a briefing and several postings today, the National Oceanic and Atmospheric Administration reviewed the most notable climate and weather events of 2011. Many of these events—from an extreme East African drought to Australian deluges—were significantly driven by a ''double-dip La Nina'' cooling of the tropical Pacific Ocean, agency scientists said.

In other words, it is La Nina and El Nino that made the difference.

In yesterday's Tulsa World, there was an opinion piece that directly addressed this El Nino and La Nina debate and how it affects Oklahoma specifically; that is, my State of Oklahoma. The editorial mentions an interview in April of 2008 with Tulsa National Weather Service meteorologist Nicole McGavock regarding Oklahoma's record rainfall that month. McGavock said:

> Don't go blaming global warming, but rather blame El Nino's counterpart, La Nina. La Nina happens when the weather is cooler near the equator along the Pacific Ocean.

It has nothing to do with global warming.

That same opinion piece mentioned another article published in December of 2011 which was about Oklahoma's drought-filled summer of 2011. In it, associate State climatologist Gary McManus said:

> Did this hot summer happen due to global warming? [No.] I think when we study this summer, we will find that we would have had the warmest summer regardless of global warming.

With all this in mind, it is no wonder that when Time magazine asks the question, ''Now do you believe in global warming?'' the answer is resounding: The American people are no longer buying it. As the Washington Post recently reported, global warming is no longer an issue of concern for Americans, and one of the reasons is that the public doesn't trust those who try to use hot weather as proof of global warming. The public has clearly grown weary of the alarmists' fear campaigns. After all, they have been going on for 12 years.

Just how bad have things gotten for the global warming movement? Well, one indication is that no one is even talking about global warming except for myself and Representative MARKEY over in the House. As a Politico article said yesterday, Representative MARKEY accused Republicans of being silent on the threat of global warming and called for Republicans to hold hearings.

While Representative MARKEY is quick to accuse Republicans of silence, he says nothing about the silence we are hearing from the Democrats here in the Senate. We haven't heard anybody. I haven't heard the term ''global warming'' coming from any Senator. When was the last time anyone heard President Obama or the Democrats mention global warming? In fact, their campaign has failed so miserably that President Obama, running for reelection, is pretending to support oil and gas to gain votes.

The irony is that the President, who came into office promising to slow the rise of the oceans and all that, has presided over the complete collapse of the global warming movement. Since

President Obama took office nearly 4 years ago, not one global warming cap-and-trade bill has been debated on the Senate floor. In fact, if anything, they are regressing in support for their pet issue. Last year 64 Senators went on record as wanting to rein in the Obama EPA's global warming regulations.

We have said several times that there have been numerous bills introduced ever since the Kyoto Treaty was never submitted for ratification. That was back in the early 1990s. Ever since that time, there have been numerous bills that would be cap-and-trade bills and they have gone down. Each time, they go down by a greater percentage than the one before did. In fact, if anything, they are regressing in their support.

So the far-left environmental community has clearly been instructed to keep quiet, although sometimes they can't help themselves and they get into trouble, like 350.org that I referred to. They are no doubt assured that if President Obama is reelected, he will do everything he can to achieve his global warming agenda through regulations because the American people have rejected legislation. That is what has happened. Actually, the cost of it, which is not controversial—it is because people recognize and nobody has actually refuted the fact that if it were to pass either by legislation or by regulation, it would cost the American people between $300 billion and $400 billion a year. So people now realize that and know we can't afford to do something that really is not going to accomplish anything.

Anyway, the Obama administration is already doing—we have identified right now some $68 billion that he has, through regulations, been able to have on all of his climate agenda. So it has already been very expensive. Nobody is really aware of it, but nonetheless that is what is happening. He just doesn't want the American people to know it. How can he convince them that so much economic pain is necessary now that the global warming movement has completely lost its trust in the public? That would stop some of the usual suspects from continuing to try to drum up global warming hysteria, but we wouldn't count on Al Gore coming out of hiding to help or President Obama saying anything to back him up—at least not now, before the election.

Just the other day, George Mason University, I believe it was, did a polling of all of the 480 TV meteorologists. Only 19 percent of them said we are having global warming due to manmade gases. Now, that is a major change from before. So the trendline is going back the other way. The polling has definitely gone the other way.

Back to last weekend's failed effort to blame hot weather on global warming, I would like to mention three things on which scientists agree.

First of all, we can't blame global warming on one event. Let me share with my colleagues what Roger Pelke, professor of environmental studies at the University of Colorado, said:

> Over the long term, there is no evidence that disasters are getting worse because of climate change.

Judith Curry, whom I already mentioned, is a well-established scientist. She said:

> I have been completely unconvinced by any of the arguments . . . that attributes a single extreme weather event, a cluster of extreme weather events, or statistics of extreme weather events to anthropogenic forcing.

Myles Allen, the head of the Climate Dynamics Group at the University of Oxford's Atmospheric, Oceanic and Planetary Physics Department, said:

> When Al Gore said . . . that scientists now have clear proof that climate change is directly responsible for the extreme and devastating floods, storms, and droughts . . . my heart sank.

I was on ''The Rachel Maddow Show.'' She doesn't have Republicans on very often. She is one of my favorite liberals, and I enjoy being on. I found out then that Bill Nye, her science guy, actually is one—one of the things he states is, don't fall into the trap of trying to say that because somebody is at some place that is very, very hot, that somehow that supports global warming. In fact, Dana Milbank, a Washington Post columnist who is a major Maddow contributor, said:

> When climate activists make the dubious claim, as a Canadian environmental group did, that global warming is to blame for the lack of snow at the Winter Olympics in Vancouver, then they invite similarly specious conclusions about Washington's snow . . . Argument-by-anecdote isn't working.

That was Dana Milbank, who is really on the other side of this issue.

So I mentioned that there are three things. One is a fact that is incontrovertible, that people agree on, which is that one or two events aren't going to reflect climate change or global warming.

The second thing is the cost. Years ago when the Kyoto Treaty was up, I wasn't sure which way to go. I assumed the scientists were all together on this, only to find out they weren't.

One thing we did find out when we got a report from several universities, including MIT, was that the cost of this, if we were to pass any of the bills, would have been between $300 billion and $400 billion a year. What I always do when I hear about billions and trillions of dollars is I try to, if I can, find out how that affects my family and the State of Oklahoma.

Back when we had the largest tax increase in 1993 called the Clinton-Gore tax increase, they increased marginal rates, the death tax, capital gains tax and all of that, and it was at that time the largest tax increase in three decades. We were all pretty outraged about it. Yet that was a $32 billion tax increase. Here we are talking about a $300 billion to $400 billion tax increase.

The last thing I would say is that if we have a tax increase like this, what do we get for it?

I sometimes appreciate—in fact, I always appreciate the Administrator of the EPA, Lisa Jackson. She is an appointee of President Obama. I asked her this question on live TV in one of our committee hearings: If you guys are going to do this by regulation or if you are going to have cap and trade and punish the American people with all of the cost of this and everything else, if they are successful, if that happened, would this reduce the $CO_2$ worldwide? Her answer: No, it wouldn't. Because this isn't where the problem is. The problem is in China and Mexico and India. One could carry that argument on out further and conclude that if we have that kind of a regulation in this country and drive our manufacturing base overseas, they would go to places such as China and India where there are no emissions restrictions, so it would have the effect of actually increased $CO_2$.

Anyway, I appreciate very much Time magazine coming out and bringing up the igloo again. It is a thing of beauty, and it is very meaningful to me, and I think it told a story that a lot of people needed to hear, and they have heard it now.

I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado.

HEALTH CARE

Mr. BENNET. Mr. President, I thank you for the recognition. I come to the floor to briefly talk about the Supreme Court decision on health care.

I was in Colorado last week. We had a wonderful time traveling across the Western Slope of our State. We spent time in Gunnison County and other places. We fished in Hartselle. One thing people were not talking about there was the Supreme Court decision on health care. What they were talking about was how we get our economy moving again; how we recouple our economic growth in this country to job growth and wage growth again; how we create a comprehensive and thoughtful approach to reducing our deficit and our debt; how we educate our kids for the 21st century; how we build this economy to make sure we leave our kids with something better than what we found. In short, they were talking about exactly what people inside the beltway are not talking about.

Today the House of Representatives—I don't know whether voting has started yet—in the wake of the Supreme Court decision, is voting to repeal the health care reform bill for the 31st time. They have been successful 30 times. They have voted to repeal the bill 30 times, but they feel the need now to do it a 31st time.

I saw on the TV in my office today the Twitter traffic that was rolling at the bottom of the screen. One person after another announced that they were voting to repeal the health care bill for the 31st time.

I thought about a Facebook post I saw last week from somebody I know in Denver named Mary Seawall. She is on the school board there, but she is not a politician. This is what she wrote

the day after the Supreme Court reached its decision on health care:

Yesterday's Supreme Court decision upholding the Affordable Care Act came on a hard day for our family. Yesterday afternoon, we learned that our 6-year-old Annie has type 1 diabetes. She and I sat in a doctor's office crying through her first finger prick, her first insulin shot. Our life is now different.

She will have this disease for her entire life or until there is a cure. A few years ago, our entire family might have lost our insurance. She now has a preexisting condition that likely would have made her uninsurable as an adult.

Mary wrote:

What I am saying is not political; it's a mother's sigh of relief.

''A mother's sigh of relief.''

When I heard the Supreme Court ruling, I was waiting for the call—

''I was waiting for the call''—

to tell me why my baby looked too thin, why she had to take breaks walking up a flight of stairs, why she had started wetting her bed. The ruling means she lives in a country that won't leave her behind.

We are very lucky that we caught this early before she lost consciousness or went into a coma, something that would have likely happened in the next few days.

I know our luck came from health insurance that allowed her worried parents to take her to the doctor because we had a ''bad feeling.'' Many families, even insured ones, can't do what we did. I was raised on the idea of ''better to be safe than sorry.'' Our health care system has been ''better sorry than safe'' for too long.

Mary goes on to say that this Supreme Court decision ''couldn't have come at a better time, our family's worst day.''

I hope the folks who are twittering about their repeal for the 31st time of this bill rather than working to try to improve it, rather than working to try to fix it, incapable of actually telling us what they would replace this with, would take a moment to read what a mother in Denver posted on Facebook last week.

I do not think this health care bill was perfect, and I said that from the day we passed it. There are issues around cost, in particular, that I continue to be very concerned with because despite the rhetoric around this place, the reality is that we cannot solve our deficit and debt problem without dealing with a restructuring of how we deliver health care in the United States. Maybe the bill is not perfect, and maybe there are suggestions that could be made to improve it. I have my own. I tried, when we passed the bill, to put a fail-safe in place that would actually hold this Congress to the numbers that it said it would save, the dollars that we said we would save, and that if we did not, we had to figure out how to cut or make other changes to get there. So there is more work to be done. But the thing I find amazing—and this is why I wanted to come to the floor—is how far away this conversation is from the people I represent and what a masquerade so much of this conversation is.

I know there were a lot of people who were disappointed that the health care bill was declared constitutional by the Supreme Court, and there were people who said they were going to declare it unconstitutional, and they did not.

So the next day—and really for the next week—what we heard was, well, the bill imposes a tax on the middle class of this country, that the President broke a promise because he said he would not raise taxes on the middle class.

I want everybody to know what is being talked about when people talk about this. They are talking about a piece of the legislation called the health care mandate. Some people call it a penalty, and some people call it a tax. That is something that has been debated around here for the last week. It has not been debated before this.

I do not care what label you put on it, frankly, because people at home are not talking to me about this. Do you know why they are not talking to me about this? Because it applies to 1 percent—1.2 percent, to be precise—of the American people. That is what the Congressional Budget Office told us when we were passing this legislation. And if you do not believe me, it is on page 33—I will not enter the whole opinion into the RECORD—of the Supreme Court's finding of fact, where Justice Roberts finds as a matter of fact that the CBO said this mandate would cost $4 billion and that roughly 4 million people would be affected. Those are the 4 million people after Medicare and Medicaid and private employers' insurance and personal insurance that people buy. That is a group of people, a sliver, 1 percent of the American people who can afford to buy insurance but do not and choose to pay the penalty or the tax or the mandate instead of buying their insurance—$4 billion; 4 million people.

Mr. President, I ask unanimous consent that the portion of the Supreme Court Opinion of the Court that I referred to on page 33 of the opinion be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OPINION OF THE COURT

The exaction the Affordable Care Act imposes on those without health insurance looks like a tax in many respects. The ''[s]hared responsibility payment,'' as the statute entitles it, is paid into the Treasury by ''taxpayer[s]'' when they file their tax returns. 26 U.S.C. §5000A(b). It does not apply to individuals who do not pay federal income taxes because their household income is less than the filing threshold in the Internal Revenue Code. §5000A(e)(2). For taxpayers who do owe the payment, its amount is determined by such familiar factors as taxable income, number of dependents, and joint filing status. §§5000A(b)(3), (c)(2), (c)(4). The requirement to pay is found in the Internal Revenue Code and enforced by the IRS, which—as we previously explained—must assess and collect it ''in the same manner as taxes.'' Supra, at 13–14. This process yields the essential feature of any tax: it produces at least some revenue for the Government. *United States* v. *Kahriger*, 345 U.S. 22, 28, n. 4 (1953). Indeed, the payment is expected to raise about $4 billion per year by 2017. Congressional Budget Office, Payments of Penalties for Being Uninsured Under the Patient Protection and Affordable Care Act (Apr. 30, 2010), in Selected CBO Publications Related to Health Care Legislation, 2009–2010, p. 71 (rev. 2010).

Mr. BENNET. What the health care bill was intended to do—and again, it may not have done it perfectly, and there may be other ideas we ought to be legislating around—what it was intended to do is solve a problem that confronted not 1 percent of the American people, not 4 million people, but a problem that conservatively—extremely conservatively—affects 50 percent of the American people and is a $58.5 billion problem, not a $4 billion problem, because it is 50 percent of the people who are covered today by their employers who have to pay $1,100 a year in additional premiums to subsidize the uninsured in the United States of America. That was one of the big objectives of dealing with this health care issue. And I say it is conservative because this number does not even include the people who are buying insurance on their own. So maybe if you add those numbers together, you get to about 70 percent of the American people.

So we spent a week on cable television, on the floor of the Senate, occupied completely with this 1 percent number over here, with no theory at all about what we are doing for 50 percent of Americans. That is how comical this conversation has become. I should not say comical. That is how detached this conversation has become from what is actually going on in the real lives of the people whom I represent and others in this Chamber represent.

What is so amazing to me, having watched this as somebody who has not been around here for very long and may not understand all the ways of Washington, is that when you look at the history of this so-called mandate or so-called tax, it is really puzzling to understand the politics around this.

This is a chart, I show you in the Chamber, that is part of an article that ran in the New Yorker a couple weeks ago called the ''Unpopular Mandate'' by Ezra Klein. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New Yorker, June 25, 2012]

UNPOPULAR MANDATE—WHY DO POLITICIANS REVERSE THEIR POSITIONS?

(By Ezra Klein)

On March 23, 2010, the day that President Obama signed the Affordable Care Act into law, fourteen state attorneys general filed suit against the law's requirement that most Americans purchase health insurance, on the ground that it was unconstitutional. It was hard to find a law professor in the country who took them seriously. ''The argument about constitutionality is, if not frivolous, close to it,'' Sanford Levinson, a University

of Texas law-school professor, told the McClatchy newspapers. Erwin Chemerinsky, the dean of the law school at the University of California at Irvine, told the Times, ''There is no case law, post 1937, that would support an individual's right not to buy health care if the government wants to mandate it.'' Orin Kerr, a George Washington University professor who had clerked for Justice Anthony Kennedy, said, ''There is a less than one-per-cent chance that the courts will invalidate the individual mandate.'' Today, as the Supreme Court prepares to hand down its decision on the law, Kerr puts the chance that it will overturn the mandate—almost certainly on a party-line vote—at closer to ''fifty-fifty.'' The Republicans have made the individual mandate the element most likely to undo the President's health-care law. The irony is that the Democrats adopted it in the first place because they thought that it would help them secure conservative support. It had, after all, been at the heart of Republican health-care reforms for two decades.

The mandate made its political début in a 1989 Heritage Foundation brief titled ''Assuring Affordable Health Care for All Americans,'' as a counterpoint to the single-payer system and the employer mandate, which were favored in Democratic circles. In the brief, Stuart Butler, the foundation's health-care expert, argued, ''Many states now require passengers in automobiles to wear seat-belts for their own protection. Many others require anybody driving a car to have liability insurance. But neither the federal government nor any state requires all households to protect themselves from the potentially catastrophic costs of a serious accident or illness. Under the Heritage plan, there would be such a requirement.'' The mandate made its first legislative appearance in 1993, in the Health Equity and Access Reform Today Act—the Republicans' alternative to President Clinton's health-reform bill—which was sponsored by John Chafee, of Rhode Island, and co-sponsored by eighteen Republicans, including Bob Dole, who was then the Senate Minority Leader.

After the Clinton bill, which called for an employer mandate, failed, Democrats came to recognize the opportunity that the Chafee bill had presented. In ''The System,'' David Broder and Haynes Johnson's history of the health-care wars of the nineties, Bill Clinton concedes that it was the best chance he had of reaching a bipartisan compromise. ''It should have been right then, or the day after they presented their bill, where I should have tried to have a direct understanding with Dole,'' he said.

Ten years later, Senator Ron Wyden, an Oregon Democrat, began picking his way back through the history—he read ''The System'' four times—and he, too, came to focus on the Chafee bill. He began building a proposal around the individual mandate, and tested it out on both Democrats and Republicans. ''Between 2004 and 2008, I saw over eighty members of the Senate, and there were very few who objected,'' Wyden says. In December, 2006, he unveiled the Healthy Americans Act. In May, 2007, Bob Bennett, a Utah Republican, who had been a sponsor of the Chafee bill, joined him. Wyden-Bennett was eventually co-sponsored by eleven Republicans and nine Democrats, receiving more bipartisan support than any universal health-care proposal in the history of the Senate. It even caught the eye of the Republican Presidential aspirants. In a June, 2009, interview on ''Meet the Press,'' Mitt Romney, who, as governor of Massachusetts, had signed a universal health-care bill with an individual mandate, said that Wyden-Bennett was a plan ''that a number of Republicans think is a very good health-care plan—one that we support.''

Wyden's bill was part of a broader trend of Democrats endorsing the individual mandate in their own proposals. John Edwards and Hillary Clinton both built a mandate into their campaign health-care proposals. In 2008, Senator Ted Kennedy brought John McDonough, a liberal advocate of the Massachusetts plan, to Washington to help with health-care reform. That same year, Max Baucus, the chairman of the Senate Finance Committee, included an individual mandate in the first draft of his health-care bill. The main Democratic holdout was Senator Barack Obama. But by July, 2009, President Obama had changed his mind. ''I was opposed to this idea because my general attitude was the reason people don't have health insurance is not because they don't want it. It's because they can't afford it,'' he told CBS News. ''I am now in favor of some sort of individual mandate.''

This process led, eventually, to the Patient Protection and Affordable Care Act—better known as Obamacare—which also included an individual mandate. But, as that bill came closer to passing, Republicans began coalescing around the mandate, which polling showed to be one of the legislation's least popular elements. In December, 2009, in a vote on the bill, every Senate Republican voted to call the individual mandate ''unconstitutional.''

This shift—Democrats lining up behind the Republican-crafted mandate, and Republicans declaring it not just inappropriate policy but contrary to the wishes of the Founders—shocked Wyden. ''I would characterize the Washington, D.C., relationship with the individual mandate as truly schizophrenic,'' he said.

It was not an isolated case. In 2007, both Newt Gingrich and John McCain wanted a cap-and-trade program in order to reduce carbon emissions. Today, neither they nor any other leading Republicans support cap-and-trade. In 2008, the Bush Administration proposed, pushed, and signed the Economic Stimulus Act, a deficit-financed tax cut designed to boost the flagging economy. Today, few Republicans admit that a deficit-financed stimulus can work. Indeed, with the exception of raising taxes on the rich, virtually every major policy currently associated with the Obama Administration was, within the past decade, a Republican idea in good standing.

Jonathan Haidt, a professor of psychology at New York University's business school, argues in a new book, ''The Righteous Mind,'' that to understand human beings, and their politics, you need to understand that we are descended from ancestors who would not have survived if they hadn't been very good at belonging to groups. He writes that ''our minds contain a variety of mental mechanisms that make us adept at promoting our group's interests, in competition with other groups. We are not saints, but we are sometimes good team players.''

One of those mechanisms is figuring out how to believe what the group believes. Haidt sees the role that reason plays as akin to the job of the White House press secretary. He writes, ''No matter how bad the policy, the secretary will find some way to praise or defend it. Sometimes you'll hear an awkward pause as the secretary searches for the right words, but what you'll never hear is: 'Hey, that's a great point! Maybe we should rethink this policy.' Press secretaries can't say that because they have no power to make or revise policy. They're told what the policy is, and their job is to find evidence and arguments that will justify the policy to the public.'' For that reason, Haidt told me, ''once group loyalties are engaged, you can't change people's minds by utterly refuting their arguments. Thinking is mostly just rationalization, mostly just a search for supporting evidence.''

Psychologists have a term for this: ''motivated reasoning,'' which Dan Kahan, a professor of law and psychology at Yale, defines as ''when a person is conforming their assessments of information to some interest or goal that is independent of accuracy''—an interest or goal such as remaining a well-regarded member of his political party, or winning the next election, or even just winning an argument. Geoffrey Cohen, a professor of psychology at Stanford, has shown how motivated reasoning can drive even the opinions of engaged partisans. In 2003, when he was an assistant professor at Yale, Cohen asked a group of undergraduates, who had previously described their political views as either very liberal or very conservative, to participate in a test to study, they were told, their ''memory of everyday current events.''

The students were shown two articles: one was a generic news story; the other described a proposed welfare policy. The first article was a decoy; it was the students' reactions to the second that interested Cohen. He was actually testing whether party identifications influence voters when they evaluate new policies. To find out, he produced multiple versions of the welfare article. Some students read about a program that was extremely generous—more generous, in fact, than any welfare policy that has ever existed in the United States—while others were presented with a very stingy proposal. But there was a twist: some versions of the article about the generous proposal portrayed it as being endorsed by Republican Party leaders; and some versions of the article about the meagre program described it as having Democratic support. The results showed that, ''for both liberal and conservative participants, the effect of reference group information overrode that of policy content. If their party endorsed it, liberals supported even a harsh welfare program, and conservatives supported even a lavish one.''

In a subsequent study involving just self-described liberal students, Cohen gave half the group news stories that had accompanying Democratic endorsements and the other half news stories that did not. The students who didn't get the endorsements preferred a more generous program. When they did get the endorsements, they went with their party, even if this meant embracing a meaner option.

This kind of thinking is, according to psychologists, unsurprising. Each of us can have firsthand knowledge of just a small number of topics—our jobs, our studies, our personal experiences. But as citizens—and as elected officials—we are routinely asked to make judgments on issues as diverse and as complex as the Iranian nuclear program, the environmental impact of an international oil pipeline, and the likely outcomes of branding China a ''currency manipulator.''

According to the political-science literature, one of the key roles that political parties play is helping us navigate these decisions. In theory, we join parties because they share our values and our goals—values and goals that may have been passed on to us by the most important groups in our lives, such as our families and our communities—and so we trust that their policy judgments will match the ones we would come up with if we had unlimited time to study the issues. But parties, though based on a set of principles, aren't disinterested teachers in search of truth. They're organized groups looking to increase their power. Or, as the psychologists would put it, their reasoning may be motivated by something other than accuracy. And you can see the results among voters who pay the closest attention to the issues.

In a 2006 paper, ''It Feels Like We're Thinking,'' the political scientists Christopher Achen and Larry Bartels looked at a National Election Study, a poll supported by the National Science Foundation, from 1996. One of the questions asked whether ''the size of the yearly budget deficit increased, decreased, or stayed about the same during Clinton's time as President.'' The correct answer is that it decreased, dramatically. Achen and Bartels categorize the respondents according to how politically informed they were. Among the least-informed respondents, Democrats and Republicans picked the wrong answer in roughly equal numbers. But among better-informed voters the story was different. Republicans who were in the fiftieth percentile gave the right answer more often than those in the ninety-fifth percentile. Bartels found a similar effect in a previous survey, in which well-informed Democrats were asked whether inflation had gone down during Ronald Reagan's Presidency. It had, but many of those Democrats said that it hadn't. The more information people had, it seemed, the better they were at arranging it to fit what they wanted to believe. As Bartels told me, ''If I'm a Republican and an enthusiastic supporter of lower tax rates, it is uncomfortable to recognize that President Obama has reduced most Americans' taxes—and I can find plenty of conservative information sources that deny or ignore the fact that he has.''

Recently, Bartels noticed a similar polarization in attitudes toward the health-care law and the Supreme Court. Using YouGov polling data, he found that less-informed voters who supported the law and less-informed voters who opposed it were equally likely to say that ''the Supreme Court should be able to throw out any law it finds unconstitutional.'' But, among better-informed voters, those who opposed the law were thirty per cent more likely than those who supported it to cede that power to the Court. In other words, well-informed opponents realized that they needed an activist Supreme Court that was willing to aggressively overturn laws if they were to have any hope of invalidating the Affordable Care Act.

Orin Kerr says that, in the two years since he gave the individual mandate only a one-per-cent chance of being overturned, three key things have happened. First, congressional Republicans made the argument against the mandate a Republican position. Then it became a standard conservative-media position. ''That legitimized the argument in a way we haven't really seen before,'' Kerr said. ''We haven't seen the media pick up a legal argument and make the argument mainstream by virtue of media coverage.'' Finally, he says, ''there were two conservative district judges who agreed with the argument, largely echoing the Republican position and the media coverage. And, once you had all that, it really became a ballgame.''

Jack Balkin, a Yale law professor, agrees. ''Once Republican politicians say this is unconstitutional, it gets repeated endlessly in the partisan media that's friendly to the Republican Party''—Fox News, conservative talk radio, and the like—''and, because this is now the Republican Party's position, the mainstream media needs to repeatedly explain the claims to their readers. That further moves the arguments from off the wall to on the wall, because, if you're reading articles in the Times describing the case against the mandate, you assume this is a live controversy.'' Of course, Balkin says, ''if the courts didn't buy this, it wouldn't get anywhere.''

But the courts are not as distant from the political process as some like to think. The first judge to rule against the individual mandate was Judge Henry Hudson, of Virginia's Eastern District Court. Hudson was heavily invested in a Republican consulting firm called Campaign Solutions, Inc. The company had worked with the Presidential campaigns of John McCain and George W. Bush, the Republican National Committee, the Swift Boat Veterans for Truth, and Ken Cuccinelli—the Virginia state attorney general who is one of the plaintiffs in the lawsuits against the Affordable Care Act.

The fact that a judge—even a partisan judge in a district court—had ruled that a central piece of a Democratic President's signature legislative accomplishment was unconstitutional led the news across the country. Hudson's ruling was followed by a similar, and even more sweeping, ruling, by Judge Roger Vinson, of the Northern District of Florida. Vinson declared the entire bill unconstitutional, setting off a new round of stories. The twin rulings gave conservatives who wanted to believe that the mandate was unconstitutional more reason to hold that belief. Voters who hadn't thought much about it now heard that judges were ruling against the Administration. Vinson and Hudson were outnumbered by other district judges who either upheld the law or threw out lawsuits against it, but those rulings were mostly ignored.

At the Washington Monthly, Steve Benen kept track of the placement that the Times and the Washington Post (where I work) gave to stories about court rulings on the health-care law. When judges ruled against the law, they got long front-page stories. When they ruled for it, they got shorter stories, inside the paper. Indeed, none of the cases upholding the law got front-page coverage, but every rejection of it did, and usually in both papers. From an editorial perspective, that made sense: the Vinson and Hudson rulings called into question the law's future; the other rulings signalled no change. But the effect was repeated news stories in which the Affordable Care Act was declared unconstitutional, and few news stories representing the legal profession's consensus that it was not. The result can be seen in a March poll by the Kaiser Family Foundation, which found that fifty-one per cent of Americans think that the mandate is unconstitutional.

What is notable about the conservative response to the individual mandate is not only the speed with which a legal argument that was considered fringe in 2010 had become mainstream by 2012; it's the implication that the Republicans spent two decades pushing legislation that was in clear violation of the nation's founding document. Political parties do go through occasional, painful cleansings, in which they emerge with different leaders who hold different positions. This was true of Democrats in the nineteen-nineties, when Bill Clinton passed free trade, deficit reduction, and welfare reform, despite the furious objections of liberals. But in this case the mandate's supporters simply became its opponents.

In February, 2012, Stuart Butler, the author of the Heritage Foundation brief that first proposed the mandate, wrote an op-ed for USA Today in which he recanted that support. ''I've altered my views on many things,'' he wrote. ''The individual mandate in health care is one of them.'' Senator Orrin Hatch, who had been a co-sponsor of the Chafee bill, emerged as one of the mandate's most implacable opponents in 2010, writing in The Hill that to come to ''any other conclusion'' than that the mandate is unconstitutional ''requires treating the Constitution as the servant, rather than the master, of Congress.'' Mitt Romney, who had both passed an individual mandate as governor and supported Wyden-Bennett, now calls Obama's law an ''unconstitutional power grab from the states,'' and has promised, if elected, to begin repealing the law ''on Day One.''

Even Bob Bennett, who was among the most eloquent advocates of the mandate, voted, in 2009, to call it unconstitutional. ''I'd group us''—Senate Republicans—''into three categories,'' he says. ''There were people like me, who bought onto the mandate because it made sense and would work, and we were reluctant to let go of it. Then, there were people who bought onto it slowly, for political advantage, and were immediately willing to abandon it as soon as the political advantage went the other way. And then there's a third group that thought it made sense and then thought it through and changed their minds.'' Explaining his decision to vote against the law, Bennett, who was facing a Tea Party challenger in a primary, says, ''I didn't focus on the particulars of the amendment as closely as I should have, and probably would have voted the other way if I had understood that the individual mandate was at its core. I just wanted to express my opposition to the Obama proposal at every opportunity.'' He was defeated in the primary, anyway.

But, whatever the motives of individual politicians, the end result was the same: a policy that once enjoyed broad support within the Republican Party suddenly faced unified opposition—opposition that was echoed, refined, and popularized by other institutions affiliated with the Party. This is what Jason Grumet, the president of the Bipartisan Policy Center, a group that tried to encourage Republicans and Democrats to unite around policy solutions, calls the ''think-tank industrial complex''—the network of ideologically oriented research centers that drive much of the policy debate in Washington. As Senator Olympia Snowe, of Maine, who has announced that she is leaving the Senate because of the noxious political climate, says, ''You can find a think tank to buttress any view or position, and then you can give it the aura of legitimacy and credibility by referring to their report.'' And, as we're increasingly able to choose our information sources based on their tendency to back up whatever we already believe, we don't even have to hear the arguments from the other side, much less give them serious consideration. Partisans who may not have strong opinions on the underlying issues thus get a clear signal on what their party wants them to think, along with reams of information on why they should think it.

All this suggests that the old model of compromise is going to have a very difficult time in today's polarized political climate. Because it's typically not in the minority party's interest to compromise with the majority party on big bills—elections are a zero-sum game, where the majority wins if the public thinks it has been doing a good job—Washington's motivated-reasoning machine is likely to kick into gear on most major issues. ''Reasoning can take you wherever you want to go,'' Haidt warns. ''Can you see your way to an individual mandate, if it's a way to fight single payer? Sure. And so, when it was strategically valuable Republicans could believe it was constitutional and good. Then Obama proposes the idea. And then the question becomes not 'Can you believe in this?' but 'Must you believe it?' ''

And that means that you can't assume that policy-based compromises that made sense at the beginning will survive to the end, because by that time whichever group has an interest in not compromising will likely have convinced itself that the compromise position is an awful idea—even if, just a few years ago, that group thought it was a great one. ''The basic way you wanted

to put together a big deal five years ago is that the thoughtful minds in one party would basically go off and write a bill that had seventy per cent of their orthodoxy and thirty per cent of the other side's orthodoxy and try to use that to peel off five or six senators from the other side,'' Grumet says. ''That process just doesn't work anymore.'' The remarkable and confusing trajectory of the individual-mandate debate, in other words, could simply be the new norm.

I asked Ron Wyden how, if politicians can so easily be argued out of their policy preferences, compromise was possible. ''I don't find it easy to answer that question, because I'm an elected official and not a psychiatrist,'' he said. ''If somebody says they sincerely changed their minds, then so be it.'' But Wyden is, as always, optimistic about the next bipartisan deal, and, again, he thinks he knows just where to start. ''To bring about bipartisanship, it's going to be necessary to win on something people can see and understand. That's why I think tax reform is a huge opportunity for the economy and the cause of building coalitions.'' Perhaps he's right. Or perhaps that's just what he wants to believe.

Mr. BENNET. I urge people to read this because what Mr. Klein does in this article is chart the political course of this mandate from about 1989 to the present. The red shown on the chart is the years in which this was a Republican idea, advanced by Republican Members of Congress and by think tanks like the Heritage Foundation that actually came up with the idea to begin with to deal with the fact that there were people in this country who were not buying health insurance and whom we were all subsidizing, and then when it became a Democratic idea in more recent times.

It strikes me as one person watching all of this that this might have more to do with the party that is in the White House or not in the White House than it does with respect to the merits of the idea. But it is, of course, the merits of these ideas that we should be debating and talking about. But we should not be telling the American people that something that affects 1 percent of the American people is a broad-based assault on the middle class, and we should be bringing to this floor the ideas we have for improving what 50 percent of the American people or 70 percent of the American people are already facing. That is what people in our States believe.

Here is part of an editorial from the Greeley Tribune, which I think was published yesterday, where they wrote:

In 2010, the North Colorado Medical Center provided more than $71 million in services to indigent patients who didn't have health insurance. It wrote off another $29 million in bad debt.

The Greeley Tribune writes:

Eventually, insured patients [must] pay for that, in higher premiums and co-pays.

Mr. President, I ask unanimous consent that editorial be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TRIBUNE OPINION: REFORMS FROM AFFORDABLE CARE ACT WILL IMPROVE ACCESS TO CARE

Depending on who you talk to, the U.S. Supreme Court decision to uphold the Affordable Care Act is either a great step toward improving health care for millions of Americans or it's the end of the world as we know it.

But we applaud the court's decision for many reasons. We think the hysteria surrounding the Affordable Care Act is generally unfounded and while not perfect, the Affordable Care Act is a step in the right direction toward reforming our health care system.

The Supreme Court specifically upheld the individual mandate provision, which will eventually require everyone to have health insurance. Those against the measure say it is an example of a government mandate aimed at controlling what should be a personal freedom to choose not to carry health insurance.

We argue, however, that this really isn't that different than being required to carry auto insurance if you drive a car or being required to pay your taxes. It's something we should all do to be contributing citizens of this nation.

But even more, those of us who do have insurance end up paying for those who don't through higher health care costs.

In 2010, North Colorado Medical Center provided more than $71 million in services to indigent patients who didn't have health insurance. It wrote off another $29 million in bad debt. Eventually, insured patients pay for that, in higher premiums and co-pays.

This provision isn't meant to be a punishment. Programs are being developed to help those who truly can't afford medical insurance.

There are other aspects of the act that are also good, including stopping insurance companies from denying coverage for people with ongoing conditions and the provision that will allow children to stay on their parent's insurance until they are 26.

Frankly, in Colorado, where many aspects of the act have already be instituted, the numbers are hard to ignore. According to Gov. John Hickenlooper's office:

Because of GettingUsCovered, a high-risk insurance pool, 1,331 people with pre-existing conditions have received coverage.

43,997 more adults have gained health insurance coverage.

Nearly 1 million residents of the state with private health insurance now have coverage for preventative health care.

Nearly 2 million residents do not have to worry about lifetime limits on coverage, freeing those suffering from chronic diseases such as cancer of the threat of losing their coverage, and their ability to receive treatments.

There are many more reforms that are needed in our health care system. There needs to be more emphasis on preventative care. There needs to be more access to treatment for some patients who are suffering from chronic illnesses. The skyrocketing cost of health care needs to be addressed.

We do believe this act will head the United States toward some of those reforms that eventually will be a direct benefit to patients.

Unfortunately, we also realize this is going to continue to be a political issue, and that is unfortunate. Access to good health care should be a right in this country for every single citizen, regardless of their income level. It shouldn't be a tool for politicians to use scare tactics and myths to gain more power.

We hope this historic affirmation of the constitutionality of the Affordable Care Act is just the first step toward improving access, and our health care system as a whole.

Mr. BENNET. Mr. President, I believe that folks in Colorado have moved on here, that they want us to improve this legislation, that they want us to get focused on the real matters at hand, which are getting this economy going again, getting us into an environment where we have more jobs and rising wages again, and they are a lot less interested in these talking points.

I do not understand why people who are in politics can simultaneously make such a big deal about this that affects 1 percent of the people in this country and at the same time support legislation, for example, that forces women, that mandates women to have procedures before they can make a choice about their own reproductive health. It does not make any sense because it is completely inconsistent.

I have a daughter Anne who is 7, not 6 like Mary's daughter. But it is her health care and the certainty in her life and in her sisters' lives and the thousands of children across my State whose health care we should be interested in.

I can see that other colleagues of mine have come to the floor, so I am going to move along here. But before I do that and before I yield to the Senator from Maryland, I want to say that if this repeal happened in the House and then this repeal happened in the Senate and it were signed into law, 932,000 Coloradans who have preexisting conditions would lose their insurance, 50,000 young adults in Colorado who can now stay on their parents' insurance until they are 26 would no longer be able to, and women could once again be discriminated against simply because they are women. It is welcome to 696,000 women in Colorado who need maternity care or other women's health services who are not going to be charged higher premiums since this law is in effect. And when these exchanges are set up, 521,000 Colorado children will, for the first time, have better vision and dental coverage.

I want to work in a bipartisan way going forward to try to make sure we are doing everything we can to follow the examples of places such as St. Mary's Hospital in Grand Junction or the University of Colorado Hospital in Denver or Denver Health in Denver to drive higher quality and to drive lower costs. It is essential. It is essential for our economy, and it is essential for our competitive position in the world. And it is essential that we put these talking points down and start actually dealing with the facts as they are.

With that, Mr. President, I thank you for your patience, and I yield the floor.

The PRESIDING OFFICER (Mr. MERKLEY). The Senator from Maryland.

Mr. CARDIN. First, Mr. President, I thank Senator BENNET for his comments as they relate to the Affordable Care Act. I appreciate very much the

point the Senator made that what was passed by Congress and signed by President Obama was really an evolution of work that had been done and recommendations that had been made by Democratic and Republican administrations over a long period of time and that what the Supreme Court did was uphold Congress's ability to move forward with a plan that will give every American access to affordable quality health care.

I could not agree more with the Senator that we need to do work on this. We need to improve the bill. There are different things we need to work on, and Democrats and Republicans should be working together to move forward on the health care debate.

I also appreciate the point the Senator raised that the House of Representatives—I think it is the 31st time they are acting on legislation that repeals all or part of the Affordable Care Act. But their strategy is to repeal the law, and they have nothing to move forward with. They do not have a plan. As the Senator pointed out, if that were to become the case—and it will not; we are not going to pass it in the Senate—parents who now have their children on their insurance policy, who are 23-, 24-, 25-years-old, would lose that opportunity, and parents who can now get their children covered by insurance who have preexisting conditions would lose that protection.

The Patients' Bill of Rights that we have incorporated against abusive practices of private insurance companies—so that if someone goes into an emergency room with emergency conditions, they need to be reimbursed under prudent layperson standards—that could be lost. Our seniors could lose their wellness exams that are covered under Medicare. And we are closing the coverage gap on prescription drugs. That could be lost.

Let me also point out that our seniors appreciate the fact that what we did in the Affordable Care Act extends the life of Medicare for about a decade. That would be lost.

Small businesses will be able, in 2014, to go into exchanges and not be discriminated against by paying more for their insurance than a larger company. That would be lost.

As the Senator knows, the attack on women's health care—this bill that is now law allows women to be treated equally with men as far as premiums are concerned. That would be lost.

So I appreciate Senator BENNET taking the time on the floor to go over exactly what would happen if we were to repeal the Affordable Care Act.

What we need to do, and I think the Court gave us this opportunity—they spoke to the fact that it is up to Congress to move forward on this—it gives us a chance, Democrats and Republicans, to say: How can we make sure our health care system is as cost-effective as possible.

In the Senate Finance Committee today, we had a roundtable discussion with experts as to how we can do delivery system reforms, use ways we can manage people with serious illnesses and bring down the cost. That is what we need to do.

But the Affordable Care Act itself reduced health care costs. Look at the record. We will lose all that. We actually add to the deficit by repealing the Affordable Care Act. As the Senator knows, the House changed their rules so they can repeal the bill, even though it adds to the deficit.

So I wanted to first thank the Senator for bringing this to the attention of our colleagues as to what is involved. I do think Democrats and Republicans need to work together. The one comment I hear more and more from my constituents is stop the gridlock in Washington. Stop debating the old issues. Let's move forward. Let's create jobs. Let's work together. Let's get the job done for the American people.

Mr. President, I ask unanimous consent to speak for 10 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

## TOURETTE SYNDROME

Mr. CARDIN. I rise to bring attention to Tourette syndrome, a neurological disorder that affects more than 200,000 Americans in the most severe form and as many as 3 million more who exhibit milder symptoms. Tourette syndrome or TS is characterized by repetitive involuntary movements and vocalizations called tics.

The disorder is named for a French neurologist who in 1885 first described the condition in an 86-year-old woman. TS occurs in people from all ethnic groups and is present in males three to four times more often than in females.

The early symptoms are typically noticed first in childhood, usually when a child is between the age of 3 and 9 years of age. Although TS can be a chronic condition with symptoms lasting a lifetime, most patients experience the most severe symptoms in their early teens, with some improvements occurring in the late teens and continuing into adulthood.

In May, a 13-year-old boy named Jackson Guyton from Parkton, MD, visited my office to tell me about his experiences with Tourette. Jackson first noticed symptoms 5 years ago during the summer of 2007. While on vacation with his family at the beach, his body started making strange movements he could not control. First, came a head jerk, then eye-squinting and rolling; later, he started emitting high-pitched squeaking sounds. As Jackson put it: ''I was a regular kid one moment, with good grades and very few problems, then in the next I was rolling my eyes and making sounds. . . . like a fire alarm going off.''

In school, the sound was so loud his friends would cover their ears and avoid sitting near him in class, and parents of other children began complaining about his being in their children's class. With teachers who were uneducated on TS, the symptoms continued throughout the school year.

So as to avoid ridicule, Jackson began skipping school or spending more time in the nurse's office than in class. Fortunately, Jackson's parents found a physician who was able to quickly diagnose the condition as Tourette Syndrome. Jackson changed schools and spent the next few years in treatment, trying various medications prescribed by his doctors.

Those medicines were somewhat helpful. Jackson tried other treatments and clinical trials at Johns Hopkins University, where he met Dr. Matthew Specht, a professor of child and adolescent psychiatry who teaches children exercises to help control the tics.

That technique, cognitive behavioral intervention therapy or CBIT requires patients to use a great amount of focus and it does not work for everyone. But it did help Jackson control his squeaks. In the middle school, he encountered a guidance counselor named Mrs. Oates who helped change his life. In Jackson's words:

> She learned as much as she could about TS and helped me learn how to deal with the kids better and talk to teachers about what was happening. She also gave me a safe place to hang out when things were bad. Through her and a group that my mom started to help other families with TS in our area, I made a few friends who understood me better.

She also helped Jackson develop a presentation for the 6th grade class in his school. Jackson is now 13 years of age, and in September he will enter the 9th grade at Hereford High School. He is no longer feeling depressed, and he no longer retreats from others because of his condition. Rather, he welcomes the opportunity to use his experiences to educate teachers and other students as a Youth Ambassador, a position for which he was trained at the National TSA Conference with about 40 other young people.

Recently, he presented information about TS to more than 400 elementary school students. He says he truly enjoys answering their questions. He believes, as I do, it is important for people to understand that children with TS are not doing strange or disruptive things on purpose, and he just wants to be treated like everyone else.

Jackson still has unpredictable and sometimes painful tics, but he knows now that TS will not stop him from accomplishing everything he wants to do in life. Last year, Jackson's little brother Davis was also diagnosed with TS. Jackson says that having a teacher who understands the problem and knows how to help is one of the most important things in the life of a child with TS.

He is preparing a special presentation for Davis's class that he will deliver when the 2012–2013 school year starts. I am very proud of this young man. I am hopeful the examples set by him, his

guidance counselor Mrs. Oates, and other TSA Youth Ambassadors are blazing a trial for those who are newly diagnosed.

I am also pleased Congress understands how important public awareness of Tourette is. In 2000, Congress created the Tourette Syndrome Public Health Education Research Outreach Program at the Centers for Disease Control and Prevention. The purpose of this program is to increase recognition and diagnosis of TS, reduce the stigma attached to the disorder, and increase the availability of effective treatment.

The program also includes a public-private partnership between the CDC and the Tourette Syndrome Association, or TSA, that provides educational programs for physicians, allied health professionals and school personnel as well as those who have TS, their families, and the general public. To date, the CDC–TSA outreach program has conducted more than 520 educational programs for 32,000 professionals and community members nationwide.

This program is working well. In addition, CDC has entered into a cooperative agreement with the University of Rochester and the University of South Florida to better understand the public health impact of tic disorders, including TS, for individuals and their families and the community.

One of the areas being assessed is education, as they are looking at the effect of TS on standardized test scores, grade retention, and the presence of an individualized education program. Significantly, they are also measuring teachers' understanding of TS, and this information will be used to inform and improve outreach programs.

I urge my colleagues to support full funding of this program again this year so we might expand awareness of TS and lead to a better quality of life for people such as Jackson and families across the Nation who are affected by this disorder.

I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mr. CORNYN. Mr. President, I ask unanimous consent to speak for up to 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

HEALTH CARE

Mr. CORNYN. Mr. President, I have listened to some of my friends across the aisle talking about the vote in the House to repeal what has now come to be known as ObamaCare, which the official title is the Patient Protection and Affordable Care Act. But I think history has now demonstrated it is not the Affordable Care Act; it is the ''Unaffordable Care Act.''

My colleagues suggest the only way we can possibly protect people from preexisting disease exclusions under their insurance policy or make sure young adults up to 26 years old can remain covered under their parent's coverage is to pass this $2.5 trillion monstrosity. That is not the case. We could easily address these other issues as well as affordability if we were to take a step-by-step approach to try to make sure the patient-physician decision-making process is preserved, while making health coverage more affordable for more Americans.

But unfortunately that was not the approach taken under ObamaCare. In fact, under ObamaCare, there was almost no attention paid to trying to make coverage more affordable. The focus was on expanding coverage, an admirable goal but one that ignored affordability almost entirely. We now know ObamaCare was based, the vote in favor of and the public support, such as it is for ObamaCare, was based on a litany of what has now proven to be broken promises. The promise that if someone likes what they have, they can keep it, we know that is not true. More and more employers are dropping their employer-provided coverage for their employees.

The President himself said a family of four would actually see their premiums reduced an average of $2,500 a year. What has happened? Premiums continue to go up, roughly at the rate of 10 percent a year.

The President said, and I heard my colleague from Maryland just say, ObamaCare cuts the deficit. How they can spend $2.5 trillion and take $½ trillion more from Medicare, an already fragile, unsustainable program—unless we fix it—and that cuts the deficit is, I think, beyond the understanding of most Americans. Certainly, it is beyond mine.

I would like to ask my colleague this question: What we know is that now the Supreme Court has decided the constitutionality of ObamaCare. The Supreme Court has said—and under our system of government it is the Supreme Court that is the final word on these matters. It said the only way ObamaCare could be constitutional is for the individual mandate to be considered a tax—a tax. Indeed, it is a tax, a broad-based tax on the middle class.

I want to know how many votes in the House, how many of our colleagues in the Senate would have voted for ObamaCare if it had been called what it is, a middle-class tax increase—a middle-class tax increase. I think it is important to have a vote in the House today, and I think it is important to have a vote in the Senate, as Senator MCCONNELL has proposed to do, to see whether, based on the fact that the Supreme Court has finally decided this is a tax on the middle class, whether it would enjoy the support across the aisle it did in 2009 and 2010.

But I wish to talk a moment more about taxes and indeed the challenges that face small businesses and working families across the country and the need for the Senate to stop contributing to the class warfare rhetoric and gamesmanship that seems to encompass us 118 days now before the general election and the importance of actually addressing taxes in a constructive manner, in a way that will helpfully get our economy growing again.

To that end, it is my sincere hope that the majority leader will allow an open amendment process on this piece of legislation and allow it to go forward and give Senators the opportunity to offer ideas about how to improve this legislation and help small business job creation.

What we do know for a fact is that unless Congress and the President act before December 31, 2012, American taxpayers will face the single largest tax increase in American history. Why is that? Because the tax provisions we passed in 2001 and 2003 and then again in 2010, under President Obama, will expire at the end of this year.

For example, in less than 6 months, the highest individual tax bracket will rise from 35 percent to just under 40 percent. I think it is important for everyone to realize we are just talking about Federal taxes. We are not talking about State taxes or local taxes. Many States—thank goodness not Texas but many States—have a State income tax which is added to the Federal tax burden. Of course, virtually everyone in the country pays some form of sales tax.

We need to think about, when we add to the tax burden of the American people, what that means in terms of their cumulative tax burden, including Federal, State, and local taxes.

Unless Congress acts, people in the lowest tax bracket will see a 50-percent tax increase. Indeed, the marriage penalty will increase, the child credit will be cut in half, and taxes on capital gains and dividends will increase.

Why are lower taxes on capital gains and dividends important? Well, on capital gains it is important because we want to incentivize people to make long-term investments, to create jobs.

Why is the lower dividend rate important? Many seniors who are retired depend on dividend income from their retirement funds in order to help pay their cost of living.

The bottom line is unless Congress and the President act before December 31—and I submit it is important to act sooner rather than later to send a signal to the markets and job creators about their tax burden on January 1—every taxpayer in the country will pay higher taxes.

Unfortunately, instead of engaging in a serious manner on this issue, the President earlier this week reverted to his old playbook of class warfare and gamesmanship. He advocated again another policy which has failed to pass the laugh test, if you think about it. The President previously proposed the so-called Buffet rule—named for Warren Buffet—and said if we pass the Buffet rule and raise taxes, our problems would all be solved.

Do you know how much revenue would be generated by the Buffet rule if it passed? It would be enough revenues to run the Federal Government for 11 hours—less than half a day.

Well, I have to admit the President's recent announcement that he wants to raise taxes on small businesses has left me scratching my head. I remember back in 2010, when President Obama said raising taxes during a fragile economic recovery ''would have been a blow to our economy.'' That is what President Obama said in 2010. But in 2012, he seems to be singing an entirely different tune. At the time, in 2010, economic growth was roughly 3.1 percent. That is when President Obama said raising taxes would be a blow to our economy. Do you know what the economic growth numbers are today? Our economy is growing at roughly 2 percent of GDP, gross domestic product. Instead of 3.1 percent, it is growing even slower right now.

Of course, as I mentioned, this tax increase the President and the majority leader are proposing is on top of the ObamaCare taxes. It is not just the individual mandate I alluded to earlier that will penalize people who don't buy government-approved health care, but that is on top of approximately 20 different other tax increases that are part of the ObamaCare legislation. Not only do these new taxes break the President's own pledge not to raise taxes on individuals who make less than $200,000 a year or families making less than $250,000 a year, but it also creates barriers to new investment and job creation.

Recently I attended a meeting downstairs with Bob Zoellick, head of the World Bank, and the president of the New York Federal Reserve office—a gentleman whose name escapes me. The president of the Federal Reserve in New York said: When talking with business people across the country, I ask them what is your attitude, your mood? Are you going to invest or sit back on the sidelines? He said almost universally the message is: We are done. We are not doing anything else until Washington—in other words, Congress and the President—figure this out.

Who in their right mind would want to start a new business with the uncertainty as far as taxes are concerned, or the burdens that are imposed upon individuals and small businesses because of ObamaCare? I mentioned that in addition to what the Supreme Court found to be a tax—the individual mandate—ObamaCare includes a new 3.8-percent surtax on capital gains, dividends, rents, and interest earned by many taxpayers. This new surtax goes into effect next year, in 2013.

Another thing I found amazing in terms of the audacity of those who supported ObamaCare in 2009 and early 2010 is that a lot of the taxes that were included in the bill didn't go into effect until after this next election. Isn't that an amazing coincidence?

Enacting this permanent tax hike was a mistake then, and it continues to be a mistake now. It will discourage savings and investment, reduce productivity, and it will depress wages and the standard of living for millions of Americans.

According to one nonprofit economic policy research and educational organization, a 2.9-percent tax increase would depress economic growth by 1.3 percent. You heard me a moment ago say our economy is growing roughly at 2 percent. This think tank says they estimate a 2.9-percent tax increase would depress economic growth by 1.3 percent, and it would reduce capital formation by 3.4 percent. Those are numbers that come out of, obviously, a think tank, but that means fewer jobs and a lower standard of living for many Americans. The damage to job creation and economic growth would be even greater from a 3.8-percent investment tax. You don't have to be an economist or a rocket scientist to figure out that higher taxes are going to depress economic activity. Indeed, it is all about incentives. If we create incentives for people to be productive, work hard, and make investments, then they will respond. If we raise the bar and make it more expensive and harder, they are going to do less of it. It is that simple.

Taxpayers, including small businesses, are already scheduled to get hit with the largest tax increase in history at the end of the year, as I have already mentioned.

I will close on this, as far as this subject is concerned: We know the key to job creation is to grow the economy and allow small businesses to flourish, invest, and create jobs. That is what we are missing now. Government has grown and grown and grown. It has spent money it didn't have under the stimulus bill passed early in the Obama administration. Do you know what the projection was at that time that unemployment would be today if we passed this spending bill using borrowed money? The President's administration said unemployment would be at 5.6 percent. Yet it continues to persist at over 8 percent. So we know that obviously didn't work.

I believe it is important that we put into place an insurance policy against any Senate effort to increase taxes on small businesses. For that reason, I have offered time after time a proposal that would require a supermajority to raise taxes on small businesses. The last time I raised this proposal, when we considered the 2010 budget—which is actually the last time the Senate passed a budget, but that is another subject altogether—the amendment passed with the support of 82 Senators, including 42 Democrats, many of whom still serve in the Senate.

Raising taxes on small businesses that represent the primary engine of job growth in this country is not the answer to getting our economy back on track.

I know about 400,000 small businesses in Texas that employ 4 million people especially cannot afford to pay higher taxes, particularly at this time. We know it is small businesses that create the vast majority of new jobs.

Given that the administration has said it is committed to creating jobs, I am left wondering why they would want to increase taxes on those we are depending upon to do just that. I know the millions of Americans who remain out of work are wondering the same thing today.

VOTER IDENTIFICATION

Mr. President, I want to make a brief comment about the voter identification debate. This is particularly important in my State, but it is important across the country, because many States have passed commonsense voter identification laws to protect the integrity of the ballot and prevent dilution of the vote for majority and minority members and everyone across the board, and to protect against voter fraud.

Yesterday Attorney General Holder spoke in Houston, TX, at a gathering of the NAACP. I am sorry to say his remarks were completely inappropriate and misleading. Mr. Holder knows—or he should know—that the Texas law that requires a photo ID in order to cast a ballot will be issued free of charge to any voter who asks for one—free of charge.

He conveniently ignores the fact that the Supreme Court of the United States has previously—in an Indiana case—dispositively held that voter ID laws are constitutional and necessary to protect the integrity of the vote. This is the low point of the Attorney General's remarks. He once again defamed my State and our State legislature by equating our commonsense voter ID law with a poll tax.

By invoking the specter of Jim Crow racism, the Attorney General is playing the lowest form of identity politics. Mr. Holder knows better. This rhetoric is irresponsible and a disgrace to the office of the Attorney General. Shame on him.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. RUBIO. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

GROWING THE ECONOMY

Mr. RUBIO. Mr. President, I wanted to come to the floor today because of the good news I have heard recently, that the Senate is going to spend the next couple of weeks, maybe the whole month, talking about tax policy. I think that is very encouraging, because this is one of the issues I was hoping we would deal with early on, when I got here last year. And I am, quite frankly, surprised it has taken this much time, a year and a half, to pivot to this issue. I am hopeful—I don't know if it has been determined yet—but I am hopeful on this legislation currently before the Senate, the minority will be given an opportunity

to introduce ideas. I think that is important for this place to work well.

I have read the history of this distinguished place and it only works well, it only functions when the ideas of both sides are allowed to be heard. I know we can count votes here, and from time to time we may have a chance to pass a few things, but when one is in the minority, as I am, it is harder to get ideas passed. But I would love to at least get a vote on some of these ideas we are hoping to push forward, and our hope is that will happen. So let's hope that works out.

What I want to remind us all about a little bit today is what our goal is. We can't arrive at the right solutions if we don't know exactly what it is we are trying to get to. Our goal, I believe—and there is a consensus now throughout this country, and it is actually something that unites both political parties—needs to be to grow the economy. That is our goal, to grow the economy. And what will result from growing the economy is that good will happen for everybody.

How does the economy grow is the first fundamental question we have to answer. The economy grows when two things happen: either someone starts a business or someone grows their existing business. That is what leads to economic growth. It is that simple. Someone starts a new business because they think they can make money at it or someone goes into their existing business and says, I think we can make more money, let's grow this thing. That is how the economy grows.

So the issue before us here as Federal policymakers has to be what can the Federal Government do to help that kind of growth. In essence, what the Federal Government can do is to encourage people and make it easier for people to either start a business or to grow their business. So if that is our goal, then every time a measure comes before this body—tax policy, regulatory policy—what we should ask ourselves is, does this make it easier or harder for someone to start a business? Does it make it easier or harder for someone to grow an existing business? Does this measure make it easier or harder for the economy to grow? Because if we are indeed united by this goal of growing the economy, that should be the measure of anything we take on. And it is through that lens that I want to examine some of what we are talking about right now. Because it seems to me, at least in some of the policies I have heard proposed this week, that maybe some folks have the goal wrong. Because if we closely examine some of these policies, it sounds as if the goal is, let's take a limited economy that isn't growing and let's divide it. And primarily it sounds like, let's take this limited economy that isn't growing and let's allow us to take money from people who are maybe making a little too much, give it to the government, and the government can then spend it on behalf of people who maybe aren't making enough.

I know that may sound appealing to the folks who are among those Americans who aren't making enough money, but I want you to know something: It never works. That idea never works. Here is why it never works. It actually never works because, first of all, the money doesn't get to you. When you give government money to spend, it invariably doesn't usually spend it very well. In fact, when you give government money to spend, the people who end up getting that money are the people who can afford to hire people to come to Washington and influence how the money is spent. So sometimes the money never even gets to you, if in fact you allow the government to do this.

But it is more complicated than that. It can actually cost people their jobs, and here is why. How you create businesses or how you expand an existing business is pretty straightforward. Someone is in business, someone makes some money or gets a hold of some money and they decide to take that money and invest it. They use the money they have made and they reinvest it in their business so the business grows or they use the money they have made to start a brandnew business. This stuff works. This is how the American economy has grown and how we became the most prosperous people on Earth.

I know this works not just because I read about it in a magazine. I know it works because I have lived it. As I have detailed and talked about in the past on this floor, my father was a bartender. He worked at a hotel as a bartender. My mother had a lot of different jobs, but for a while she worked as a maid in a hotel. The reason I talk about this is to explain how and why my mom and dad had a job that paid them money to raise us and give us a chance to do all the things my siblings and I were able to do. Someone made some money, they took that money and opened up this hotel. That is why my parents had a job. They didn't have a job because the President of the United States back in 1965 or 1975 gave them a job. They had a job because someone who made money took that money and used it to start a new business or to grow an existing business and hire them. They also had a job because other people who had money decided to use that money to go on vacation and they came to Miami Beach or to Las Vegas, when I lived in Las Vegas, and they spent that money at these hotels.

The point is, people had money, and they either invested it or spent it. And that allowed a bartender and a maid—my mother and father—to raise my siblings and me and to give us opportunity. That was true in the 1950s, in the 1960s, in the 1970s, in the 1980s, in the 1990s, and it is still true. That is what is needed to grow this economy. And the problem is, if we go after these people, if we go after the money they have made and give it to the government, maybe they will decide not to open that new business or maybe they will decide this is not the year to take that vacation or instead of taking the 5-day vacation, they take the 3-day vacation. And you know who gets hurt? The bartender and the maid and the people who work in these places. Because money has to go somewhere. If you are taking it out of the hands of the people who invest it and spend it, they can't invest it or spend it, and it is people who are trying to make it—like my parents were—who get hurt by it.

So we have to get our goal right. Because if our goal is to grow the economy, we don't have to call trick plays. What we can do at the Federal level to grow the economy is pretty straightforward. All we have to do is talk to the people who grow the economy. If we go out and talk to the people who have a great idea and are trying to start a business, they will tell us what they are looking for. It is pretty straightforward stuff: tax reform.

What do we mean by tax reform? Simple. We want a Tax Code that is stable, predictable, and affordable. Of course we have to have taxes. Government needs revenue to be able to pay for what we all expect from government. But it has to be a predictable system and it has to be an affordable system. If taxes get too high, people may decide not to invest it in this country or to leave it in the bank, and that doesn't help anybody. So the point is we need to have a Tax Code that is stable, predictable, and affordable.

We need regulations that are the same: stable, affordable, and predictable. Look, we need regulations; right? I want this water to be clean. I don't want the water to poison me. We don't want to walk out on the street and breathe in air that will hurt us. There is a role for regulation. The problem is that most Federal regulations are set by bureaucrats who work for the government, and all they think about is can this regulation maybe help. They do not think at all about the impact of that regulation on businesses. That is not part of the equation. When they sit down and write a regulation, that is not part of the equation at all. So we end up having these regulations that may not even help that much but hurt a lot; that help wipe out entire industries, but the impact on helping the environment or whatever else is nebulous at best. So we have to change that.

That is why we need to pass a law here like the REINS Act, which says any regulation that has an economic impact beyond a certain amount of money should have to be approved by elected people, who are accountable, who have to measure both the effectiveness of the regulation but also whether it is going to cost jobs or wipe out an industry. Because that is important too. Protecting our industries and our sources of job creation is as important as some of these other things we

are trying to protect through regulations and they have to be balanced against one another. We do not want to simply be making decisions in a vacuum.

Along those lines, something that is both a tax and a regulation is ObamaCare. Look, we have a health insurance problem in America. There is no denying that. But there are better ways to deal with it. The problem is this bill that passed has created a tremendous amount of uncertainty. For example, it says if you have more than 50 full-time employees, there are certain requirements you have to meet. So imagine if you are a company with 48 or 49 employees. This may not be the year to hire the 50th. And maybe you are going to be the 50th, but now you don't get hired or, worse, maybe you will decide this is the year to turn all your employees into part-time employees. That is not good for the workers. Yet that is the impact this law is having, not to mention the fact it is a tax increase.

That is what the IRS does. The IRS collects taxes. And guess who you have to prove you have insurance to. And not just any old insurance, but insurance they deem to be acceptable. The IRS. Millions of Americans now every year will have to prove to the IRS they have insurance or they will owe the IRS money. That is a tax, and that is not going to help job creation, especially if you are a small business.

I outlined this last week. Imagine a small business run by a husband and wife with two kids, and the business—not them, but their business—makes $95,000 a year. It will cost them between $4,000 to $6,000 to buy health insurance. If they do not, they will owe the IRS $2,000. Tell me that is good for that business. Or imagine if you are thinking about going into business and you realize this is what is going to happen to you and you decide not to go into business. That is not good for growth. That is why this law needs to be repealed and it needs to be replaced.

Something else we need in this country is a pro-American energy policy. Do people realize the American innovator has come up with this technology over the last 5 years that now has made us a very energy-rich country? I don't know if people fully understand how energy-rich America is. If you want a small glimpse of what it can mean to our future, go to North Dakota. They are having a jobs boom. They can't find enough people to work there.

Energy is important and we need to start behaving like an energy-rich country, with a true all-of-the-above strategy where the energies we choose are decided by the marketplace and not by politicians. When politicians decide which energy source to use, you know who wins? The people with the best lobbyists. The people with the best lobby. The people with the most political influence. That is how we got a Solyndra-type situation, where a company that was going to go bankrupt got all this money—your tax dollars—and meanwhile America is sitting on over 100-some-odd years of natural gas at our disposal and no concise national energy policy to utilize it.

Let me tell you why energy matters. If we can get energy costs down and stable and predictable, manufacturing will start coming back to America. That is one of the leading costs of manufacturing, energy. We are an energy-rich country. Some of those factories that closed, we can actually get them to come back here. Imagine what that would do for economic growth, not to mention the fact that America could potentially now begin to sell overseas as well, creating yet another industry and all the things that come with it.

How about free and fair trade? There is an emerging middle class all over the world now. One of the great things that has happened over the last 20 years is that all over the world there are now people who a decade ago were living in poverty and can now afford to buy the products we invent and build, people all over the world, by the way, who can now afford to take vacations. And do you know where they want to come? To the United States of America. They want to come to Florida. They also want to come here.

I think that is fantastic, that now there are millions of people all over the world who can afford to visit the United States and leave their money at our hotels, at our restaurants, and at our amusement parks. That creates jobs, that creates growth, free and fair trade, that allows the American people to build things we can sell overseas to other places and lowers the cost of buying certain things here.

Last year, we ratified the free trade agreement with Colombia, Panama, and South Korea. We are already seeing the economic benefits of that in south Florida. Imagine if we were able do that with more countries in a free and fair way. It has to be fair.

One last thing we could probably do to help grow this economy is deal with the long-term debt. And that is what it is, it is a long-term debt problem that hovers all over all of this conversation and creates uncertainty. People are afraid—especially people with lots of money are afraid—to invest in the American economy because they look at this debt problem, they look at this political process's inability to deal with it, and they think, Do you know what. That country is destined for confiscatory tax rates. They are going where Europe is going. We don't want to invest in a country that is going to wind up like Europe in 5 years. That is why we have to deal with the long-term debt, and the sooner the better.

To deal with the long-term debt, by the way, you have to deal with what is causing it. That is why it is so important we save Medicare. Medicare is a very important program. My mother is on Medicare. I would never support anything that hurts my mother or people like her. But people in my generation need to understand that if we want to keep Medicare the way it is for our parents and if we want Medicare to even exist when we retire, Medicare is going to have to look different for us, for 41-year-olds. We have to save Medicare. And to deal with the long-term debt, we have to deal with that. That is what is driving part of the debt. That is not being driven by foreign aid, which is less than 1 percent of our budget. The debt is not being driven by food stamp programs. The debt is not being driven by defense spending.

Look, if money is being misspent or wasted, it is never a good idea to do that. If there are ways to save money on foreign aid, we should save it. If there are ways to save money in the food stamp program, we should save it. If there are ways to save money in the defense budget, we should save it. But that is not what is driving our long-term debt. To pretend we are going to get 100 percent of our savings from 25 or 20 percent of our budget leads to the kind of catastrophic cuts we talk about in this town, because no one wants to touch the big issues that have to be dealt with.

What would happen if we did these six things? Let's say that tomorrow, overnight, magically these things happened: We got real tax reform, real regulatory reform, we repealed and replaced ObamaCare, we had a pro-American energy strategy, we expanded free and fair trade, and we had a plan in place that began to deal with the long-term debt in a serious and sustainable way. Let me tell you what would happen: explosive economic growth, primarily by the creation of jobs.

Do you know what more jobs means? It means, No. 1, more taxpayers. It means you can now generate revenue for government to pay for what we all want government to do, and you don't have to raise tax rates to do that. It means you have more taxpayers who are now paying into the tax system who give you the revenue you need to bring the debt under control. Everything gets easier if the economy grows. The debt gets easier, our budgets get easier.

Jobs also mean more customers for your business. If someone is unemployed, it is hard for them to spend money. It is hard for them to buy a house, much less the things that go in it. It is hard for them to take vacations. More jobs means more stability for your business or for the place you work in. More jobs means more taxpayers, it means more customers for your business. And, by the way, it means a more stable society, a place where hard work can earn them a decent wage so they can save money for their kids' college, so they can save money for their retirement, so they can buy a home and furnish it, so they can afford to take a couple weeks vacation a year with their families. Millions of Americans can't do that anymore.

Millions of Americans have done everything we have asked of them. They

went to school, they graduated. They were told if they did that, they could find a job that paid them a decent wage, and they are struggling to do that now.

By the way, all of the strategies for growth aren't at the Federal level. It is important that States take on the issue of education reform. It is important for us as parents to be honest with our kids. In the 21st century, it is going to be hard to find a job if all you have is a high school diploma. It is that simple.

If you look at the unemployment rate between people who have a college degree or a post-high school degree and those who don't, it is stunning. It is stunning. If you don't have more than a high school education, you are going to struggle to succeed in this new century. We have to let our kids understand that. It is our job as parents and as a community to do that.

By the way, it is important for us to work with the States, as I outlined earlier, to modernize our education system. Why have we stigmatized career education? Why can't we graduate kids from high school with both a diploma and an industry certification and a career? We need to begin to teach our kids to compete with the world, not just with other States. These are other things that have to happen as well.

The point I wanted to drive today is we need to remind ourselves of what the goal is here. The goal is growth. The goal is, What can we do at the Federal level to help grow the economy? Ultimately, the economy grows because of the private sector, because someone who has made some money takes that money and invests it by starting a new business or by growing their existing business. We should find ways to make that easier and encourage people to do that. That has to be our goal. It doesn't require trick plays; it doesn't require some complicated new gimmick. We don't have to reinvent the wheel. The American people haven't run out of good ideas. Americans haven't forgotten how to start businesses or even entire new industries. Even as I speak to you right now, I am 100 percent convinced that within walking distance of this building there is someone somewhere drawing up the great next American company business plan on the back of a napkin or a scrap piece of paper. And if we give them a chance to do it, they are going to do it.

We are still the same people we have always been. There is nothing wrong with the American people. They just need a little help from their government. I think if we get our goals right around here, we can do a few simple but important things that allow Americans to do, once again, what we do better than any country or any people in the history of the world, and that is create prosperity and create opportunity.

Madam President, I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER (Ms. KLOBUCHAR). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SCHUMER. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCHUMER. Madam President, before I get into the substance of my remarks, I heard the concluding remarks of my colleague, Senator RUBIO, talking about ideas and education and small business growth.

I agree with his basic concept that we are still the greatest country in the world, that we encourage entrepreneurs and people with great ideas, that education means a great deal to making that happen; that no other country inspires young people, middle-aged people, even older people to start new businesses. I hope it means he is going to vote for the proposal that is now before us. Because what this proposal does is take that young person within walking distance of Washington, DC, who has a great idea and, once they start a business, allows them to get that business to move more quickly. There are lots of those businesses, and probably some within Washington, DC, as well. So I hope my colleague from Florida will vote for our Small Business Jobs and Tax Relief Act.

The proposal will spur economic growth. It will create nearly 1 million new jobs in this country. If my Republican colleagues care about small business in America, they would work with us to pass this commonsense bill immediately instead of playing procedural games that are thinly veiled attempts to block these tax cuts that spur hiring. The bill is based on bipartisan ideas that have traditionally enjoyed Republican support, yet they are obstructing their passage. Why are our Republican colleagues changing their tune? The only explanation is that Republicans continue to block proposals that will help create jobs and spur our economic recovery for their own political gain.

This is a simple proposal. It is a smart proposal. It is a tax cut proposal. In my home State of New York, small businesses from Cattaraugus to Clinton County are poised to grow and make the jump to the next level. These business owners know the economy is slowly turning a corner, but we are not there yet to full unthrottled growth, so they are looking for Congress to do more—not less—to spur hiring.

This initiative is aimed at the small businesses that are truly the lifeblood of our Nation, and we need to help them jumpstart expansion plans this year. There is simply no time to waste.

There is a business in Cortland, NY, central New York, called Precision Eforming. It is a great small business that would use this tax cut to buy a new piece of equipment called a Dipcoater to help the company create high-end acoustics such as hearing aids. With the Dipcoater, Precision Eforming will increase yield and need to hire new employees.

There are stories like this throughout my State. Napoleon Engineering Services, a new ball-bearing plant in Olean, hopes to hire more employees and will purchase new equipment for its growing business. Quinlan's Pharmacy and Medical Supply in Livingston County wants to add an additional location in Schuyler County. In Staten Island, the owner of a small restaurant chain recently told me this proposal could help him expand to additional locations.

Simply put, this bill makes equipment purchases and capital improvements for thousands of small businesses cheaper, and, by doing that, provides a real jolt to the economy. In fact, it is estimated that every $1 of tax cuts devoted to writing off the cost of a business's purchases generates about $9 of GDP growth. Let me repeat that. One dollar of tax cuts devoted to writing off the cost of a business's purchases generates nine times that in GDP growth. Why wouldn't we do it? Economists of every stripe will tell you that hiring incentives like the ones in this bill are the best ways to kick-start an economy and get people back to work. Why wouldn't we do it?

In fact, a new nonpartisan analysis of the proposal before us has determined it will create nearly 1 million jobs this year. Look at your State: 22,000 in Washington State, 10,000 in Nebraska, 11,000 in Iowa, 40,000 in Pennsylvania, 63,000 in my home State of New York, 77,000 in Texas. Huge numbers of new jobs will be created by this proposal. Why won't our colleagues move forward on it?

It is estimated that 93,000 jobs will be added to the construction industry, 61,000 new jobs added to manufacturing. The report concludes that the proposal's impact would be felt across every State and in a range of industries, with a significant jump in employment in construction and manufacturing. The proposal is targeted toward the mom-and-pop Main Street businesses that will benefit most from this relief.

You want to talk about job creators? You want to help job creators? Well, these small business owners are real job creators and they are the ones who make this country run. They come in early, they stay late, they work hard, and they deserve a tax break.

Here lies an important contrast between what we are proposing and a different tax cut proposal that the House Republicans have passed. The House Republican proposal is neither focused on true small business nor does it make the tax cut dependent on a company doing any hiring at all. Our proposal rewards actual job creation by true small businesses, rather than giving more tax breaks to millionaires and billionaires who may not create a single job. They have profits; they get a cut in their taxes for their profits even if they fire people. Does that

make any sense? Our bill's commonsense measures have had broad bipartisan support. There is no reason Democrats and Republicans alike should not support them now. The relief in this bill would be a grand slam for our economy as a whole. It puts more people to work, expedites the expansion of successful small bills throughout the country, expands businesses to new communities, and keeps money flowing through local economies. For too many business owners, this relief simply cannot wait. Let's get this bill to the President's desk and get our business owners started on the developments that will propel them into the next decade.

Once we pass this bill, we must work together to give certainty to American families that they will not see a mass tax hike at the end of the year. We should all agree our small businesses deserve tax cuts and a Small Business Jobs and Tax Relief Act that will help them hire workers. We should all agree no middle-class families should face a tax increase at the end of the year. Let's take care of our areas of agreement and then we can turn to debate on whether our country can afford to give more tax breaks to the wealthiest 2 percent.

I yield the remainder of my time and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Ms. LANDRIEU. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. LANDRIEU. Madam President, as chair of the Small Business Committee of the Senate, I am pleased to come to the floor to give some supporting remarks for Senator SCHUMER's small business tax reduction bill. The bill will invest, basically, $20 billion to the bottom line of small businesses—owners of businesses that are dynamic and that are growing. I would like to make that distinction. It is not all small business that will get tax relief. It is small businesses that are dynamic and growing and adding employees or increasing wages.

The bill is smartly and narrowly targeted to motivate and to reward those small businesses, a subgroup of the 28 million small businesses that exist in the country today, many of which are in the Senator's State, Minnesota, that has some very high-growth, high-potential small business development in the medical field, I understand. In my State, it would be those businesses that are growing because of the increased demand for energy and the new technologies that are coming out, not only for oil and gas production, which is important, but also other sources of energy. In Ohio and Michigan, it could be those small business suppliers that are rallying around the emerging and strengthening automobile industry, which President Obama and the Democratic Members of this Congress had so much to do with salvaging.

Our business is not just throwing money against the wind. It is taking precious taxpayer dollars and targeting them to those businesses that are growing. That is why, as the chair of the Small Business Committee, I strongly endorse Senator SCHUMER's proposal over the proposal that came from the House of Representatives.

The House of Representatives' bill basically is taking $40 billion that we do not have—we do not have the $20 billion either but one is half the cost—taking $40 billion and throwing it at businesses, 50 percent of which, according to the CBO study, will accrue to the highest income earners in the country—over $1 million. It is not targeted. It is just about business profits, which are important. I know businesses are in business to make profits. I have no problem with that. We want our businesses to be profitable. But the Schumer proposal, relative to the Cantor proposal, is targeted to those businesses making a profit and reinvesting it in the business to grow—hiring workers and putting behind this recession we are coming out of—a recession because of poor policies of previous administrations—coming out of this recession to help grow the economy.

We can give tax cuts in a variety of different ways. If we had all the money in the world, maybe we could afford to do both, but we are not that fortunate. We have to make choices. That is what we do on the floor of this Senate every day, make choices, make distinctions between wise ways to spend money and poor ways to spend money.

I suggest, if we have $20 billion to spend, if everybody agrees we have at least that, that the Schumer approach is much more efficient, will be much more effective, will get much more bang for the buck than the Cantor approach.

I commend Senator SCHUMER for putting his bill on the floor, the Small Business Tax Relief and Job Creation Act of 2012. According to the National Economic Council, the tax credit would provide $20 billion in direct tax relief for businesses that hire new workers or increase wages, and it could encourage an additional $200 to $300 billion in new wages and jobs this year.

This tax credit, as I said, makes sense. It will help create jobs. According to the Congressional Budget Office report released last year, the CBO report from November of 2011, policies that have the largest effect on output and employment per dollar of cost in 2012 and 2013 are the ones that would reduce the marginal cost of hiring. That is exactly what the Schumer bill does.

Firms that make capital investments in 2012 would be allowed to deduct the full value of the investment on their 2012 return. We know this kind of targeted tax cut can spark demand that small businesses have been clamoring for. This tax cut is an extension of a tax provision that expires in 2011 and had yielded an estimated $50 billion in added investments and lowered the average cost of capital for business investment by over 75 percent, according to the National Council of Economic Advisers.

We have had a lot of experience in the Small Business Committee and in the Finance Committee, on which Senator SCHUMER serves, in the last couple years designing and implementing tax cuts for the middle class, tax cuts for the job creators. Again, if we look very objectively, considering the Schumer proposal costs half as much as the Cantor proposal and will probably do three times if not four times better, it is a no-brainer which one is more effective; that is, the Schumer proposal.

Our hope is if Senators come to the floor and begin to look more carefully at the Schumer proposal versus the proposal that came from the House, they will realize the benefit of the Schumer approach and give it the 60 votes we need to move it forward and will reject the Cantor approach as being too expensive relative to the other option that is on the table and much less effective. In the event the Senate decides to do neither, which might happen because there have been logjams around here for a while now, I have to say I was very proud of my colleagues BARBARA BOXER and JIM INHOFE for working to break the logjams in a spectacular way just 2 weeks ago on the Senate floor when they finally negotiated a 2-year transportation bill, the flood insurance bill, the RESTORE Act, and the student loan reduction bill, which is the remarkable work the Congress did last week.

In the event the Cantor proposal fails and the Schumer proposal fails, I am hoping to offer an amendment that the leadership is considering now that was put together by the Snowe staff and the Landrieu staff over the course of the last several weeks. The only name on this right now is mine, but it has been put together by a variety of Senators who have been working across the aisle for months on items that are very important to the small business community.

Again, we have 28 million small businesses in America; 22 million of them are single employers. In other words, they are self-employed professionals who are doctors, lawyers, landscape architects, architects, other service providers, network professionals, and IT professionals who are working in their own business and employ themselves. They are very valuable. We encourage entrepreneurship in America. We may have more entrepreneurs per capita than any place in the world. We believe in it and we are excited.

We are also excited for our businesses that start with two or three employees, and before we know it they have 200 or 300 employees. Then, when we close our eyes and open them, they have 2,000 employees. That is very exciting. We

call them the gazelles. We look for accelerating opportunities.

As I said, we put this package together with the significant input of Senator SNOWE and her staff, along with input from Senator KERRY, who has been an extraordinary leader in this way. Senator MERKLEY, Senator CARDIN, and a list of other Senators whom I am going to refer to have been working for years on some of these issues. I wish to make sure I give them the credit for these issues.

First in our package is the very popular and very effective 100-percent exclusion of capital gains for investments in small businesses. It was part of the small business tax extenders package. President Obama has recommended this and Senator KERRY is the lead sponsor, along with Senator SNOWE, on the Finance Committee.

Let me give a little background. Until 2009, noncorporate taxpayers were allowed to exclude 50 percent of the gain from the sale of the stock of a qualified small business if taxpayers held the stock for 5 years. The Recovery Act increased the 50 percent to 75 percent and the Small Business Act of 2010 subsequently increased it to 100 percent. As of January this year, it was reverted down to 50 percent and startup investments are no longer entitled to the preferred capital gain treatment.

Our proposal would basically take this up to 100 percent exclusion from the sale of capital gains that noncorporate taxpayers purchased in 2012 and 2013 and hold for 5 years. It has bipartisan support. As I said, Senator KERRY has been the lead advocate. Senator SNOWE has worked side by side with him, and along with Senator MORAN, Senator WARNER, Senator COONS, and Senator RUBIO have all called for this provision to be permanent. I wish we could make it permanent. This bill will not make it permanent, but we will extend it for another year and a half.

According to the Kauffman Foundation paper published earlier this year—and the Kauffman Foundation, for those who don't know, is the leading think tank. It is not political at all. It is just a middle-of-the-road, well-respected think tank on small business development. They published a paper earlier this year, the 100-percent exclusion ''boosts the after-tax returns on such investments in startups and should induce substantial levels of new investments in startup firms.'' They further estimate that making this provision permanent would increase risky investments by, conservatively, 50 percent more than the overall cost of the provision. So they are supporting this provision very strongly and would like to see it permanent, but we can only afford in this package to have it for the next year as we again build our way out of this recession.

I guess, from a conservative point of view, one of the good things about this provision—after we vote on the Schumer proposal and the Cantor proposal—it only scores at $4 billion. We get a tremendous benefit for a very small investment of taxpayer money, relatively speaking. Not that $4 billion is chump change, but compared to the $20 billion we are considering for the Schumer package and the $40 billion for the Cantor package, we think we can take that $4 billion and, similar to yeast, make it stretch and grow to affect a lot of people and to spur a lot of investment.

The next provision is the small business tax extenders, the increased deduction for startup expenditures. Again, this has been a Snowe and Merkley initiative. I think Senator MERKLEY has truly stood up to fight for this.

Under current law, taxpayers can elect to deduct up to $5,000 of startup expenditures in the taxable year in which they start a trade or business. The $5,000 is reduced—but not below zero—by the amount by which the startup costs exceed $50,000.

Examples of potential startup costs: studies of potential markets, products, labor markets or transportation systems; advertisements for the opening of a new business, et cetera; compensation for consultants who help get one's business started.

The Small Business Jobs Act temporarily increased the amount of the startup expenditures entrepreneurs could deduct from their taxes in 2010 from $5,000 to $10,000, with a phaseout threshold of $60,000. Senator MERKLEY fought to have this provision in the Small Business Jobs Act. This proposal has been repeatedly endorsed by the National Association for the Self-Employed and the National Federation of Independent Businesses.

As part of his ''Startup America'' legislative agenda, President Obama has called for making this permanent. Again, my amendment doesn't make it permanent, but it does make it effective through 2013.

According to a Kauffman Foundation survey, on average, new firms inject about $80,000 into their businesses during the first year of operation. The vast majority of small business owners—between 80 percent and 90 percent—also invest significant amounts of their own money. I wish to underscore this. The way this amendment came together is we conducted in the Small Business Committee—and had very good turnout—about three or four high-level roundtables, where instead of just having 2 or 3 people testify, we had 20 people at a roundtable show up. For 2 hours, in a very informal setting, they were answering questions, such as: What is the best thing we could do to help you now? What are the barriers to growth? What does a healthy ecosystem for small business look like and what could we do to strengthen and make healthier that ecosystem in America? That is where these ideas came from.

Of course, Senator MERKLEY picked up on some of this and understood. The Kauffman Foundation was there. They said that even though I have talked a lot on the Senate floor about how small businesses need to borrow money—and many do—when they start a company, they don't want to borrow money unless they absolutely have to because the chances of it not working are pretty significant. Most new startups fail, and so people do not want to go into debt unless they have to or unless they are a little bit more sure their idea is going to work.

The benefit of this proposal is that we are actually rewarding the risk-takers who are digging into their savings and taking second mortgages out on their homes and putting some of their other savings at risk behind their idea. What we are saying is if they do that, we will give a significant tax break, considering it costs about $88,000 to start an average business. So this is targeted to those risk-takers. It is not just taking money out of the Treasury and throwing it at all small businesses. It is taking that money—and this is only $4 billion total—and saying: Ok. Let's target it to those individuals who are putting their lives on the line. They are putting their livelihood on the line and their future on the line. What can we do to support them? I am a very big believer in this provision, and I thank Senator MERKLEY for bringing it to us.

I see Senator CASEY and Senator SHAHEEN are on the Senate floor to speak and that my time has expired. Since I am going to be on the floor most of the afternoon explaining this amendment, I would be happy to yield the floor.

I see Senator SESSIONS is here and ask unanimous consent that Senator CASEY speak for 10 minutes, Senator SESSIONS for the next 5 or 10 minutes and Senator SHAHEEN for 5 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. SESSIONS. Madam President, if the Senator would make that 10 minutes, I think that will be fine.

Mrs. LANDRIEU. I will amend that to 10 minutes each in the order of Senator CASEY, Senator SESSIONS, and Senator SHAHEEN.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Pennsylvania.

Mr. CASEY. Madam President, I wish to commend the senior Senator from Louisiana not only for her work on this legislation but for her many years laboring in the vineyard, so to speak, on small business issues and job-creation strategies to help our small business owners across the United States.

I rise to speak about this legislation as well because when I go to Pennsylvania and travel across our State, I get two basic messages from the people of our State. They are very clear. They say two things: First, work on job creation. Put your time into putting in place ways to create and incentivize the creation of jobs. The second message is work together and get things

done. Work with people in both parties to move a strategy forward to create jobs.

I think this legislation does both. It is focused on creating jobs, especially as it relates to our small business owners and their workers and their communities, but it also is a way to bring Democrats and Republicans together to create jobs. The Small Business Jobs and Tax Relief Act will, indeed, help small businesses hire people by reducing the cost to small firms of bringing on a new worker or increasing their hours or pay. The economics of this are clear and compelling. By providing small businesses with new incentives to hire, we can create jobs and bolster economic recovery.

Small businesses are at the center of the economy of the United States and are vital to our recovery. I know in Pennsylvania there are nearly 250,000 small businesses. Four out of every five firms in the State are small businesses. This legislation is commonsense legislation and I hope will have strong bipartisan support when we vote on the bill itself.

It includes a business payroll tax incentive similar to legislation I introduced back in the year 2010 that will make it easier for small businesses to grow and to encourage economic growth throughout the country. It will give businesses a 10-percent income tax credit on new payroll for hiring new workers or increasing employee wages. It is, in fact, targeted legislation. It is targeted to small business owners. It is because it is capped at $500,000 per firm or 10 percent of a payroll increase of $5 million.

In addition to being targeted, it is timely. It will be available immediately for any new hires or increased wages for the remainder of 2012.

Thirdly, it is very effective. The Congressional Budget Office, known around here by the acronym CBO, said a tax credit based on increased payroll would create the most jobs and have the greatest positive impact on America's gross domestic product when compared to other job creation policies that have been proposed. Under this legislation small businesses that hire a new worker would, on average, see more than $4,000 in tax savings per worker hired. That is a substantial help to a small firm, and people can just do the math as they hire more than one person. That is a smart step in the right direction to help these small businesses themselves as well as boost job creation throughout our country.

As the chairman of the Joint Economic Committee, our committee just produced a report recently—I know my colleagues can't see all the lettering on this report I am holding, but it is a very simple report that is just a couple of pages—outlining in very clear fashion the impact that small businesses have on our economy in terms of the predominance of small businesses when we consider businesses across the board. The name of the report is ''Tax Incentives for Small Business Hiring and Investment: Strengthening the Backbone of the Economy.'' In fact, that is the truth. The backbone of the American economy is our small business sector.

The report finds that enacting a tax credit for businesses that hire additional workers or increase the hours and wages of existing employees will help both sustain and accelerate the recovery. Across the Nation, 79 percent of business establishments are either single-establishment businesses with fewer than 100 employees or are parts of multi-establishment companies with total employment of under 100 employees.

Small businesses are responsible for more hiring in the U.S. economy than medium-sized or large businesses. As the labor market has begun to recover, small businesses have led the way again and again. If we look at the time period of February 2010 to February 2012, small establishments were responsible for 46 percent of the hires versus 34 percent for medium-sized businesses and 20 percent for large establishments.

This is a critical point: Small firms accounted for nearly half of the hiring from early 2010 to early 2012. Small businesses truly are the engines that power our economy.

The recent monthly unemployment reports, which show job growth at a slower pace than earlier in the year, underscore the need to provide new incentives to hire and invest in businesses. Many small firms want to hire more workers, and they also want to increase hours. This legislation will help them do that.

In addition to the payroll tax credit, the legislation will extend the 100 percent depreciation deduction for major purchases through the end of 2012 so that businesses that want to make a big investment—a new building, a new significant piece of equipment—can get the benefit of that this year. An extension of this business expensing would reduce the cost of investment and promote economic growth.

So, in summary, the Small Business Jobs and Tax Relief Act would help create jobs and strengthen the economy and move our recovery forward. These are objectives we all share. I hope we can move forward in a bipartisan manner to pass this legislation because, in the end, it meets that two-part test my constituents give to me every day; that is, they want me to do everything I can to help create jobs, and they want me to do it in a bipartisan way. This legislation, in fact, does this.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

## HEALTH CARE

Mr. SESSIONS. Madam President, this afternoon the House of Representatives voted 244 to 185 to repeal the President's health care law, the Affordable Care Act. It was a bipartisan vote. A number of Democrats voted in support of the law, although not as many as voted originally to pass it, because a lot of the Democrats, even those who voted against it, got shellacked in the last election, and it was a pretty rough, intense debate.

The American people never felt comfortable with this legislation. I believe it will be repealed. I do not believe it will be implemented. The reason is, whether one likes it or not, we simply do not have the money.

I wish to talk about that today. I am the ranking Republican on the Budget Committee, and I wish to share some thoughts with my colleagues as we wrestle with what to do on health care and how to undo the legislation that passed by the narrowest single margin in this Senate on Christmas Eve and was based on false accounting.

President Obama promised, before a joint session of Congress in 2009, to spend $900 billion over 10 years on the law. He said:

> Now, add it all up, and the plan I'm proposing will cost around $900 billion over 10 years.

$900 billion is a lot of money. It is almost twice the defense budget.

The President went on to say in support of this health care legislation that it would reduce the debt of the United States. We are going to add all of these new people to the insurance rolls, and it is going to pay for itself and reduce the debt. No one really believed that, but that is what the arguments were and the representations that were made.

But once we add up all the different spending provisions in the health care law, including closing the doughnut hole, implementation costs, including all of those IRS agents and other spending in the legislation, the total gross spending for the law over the 2010–2019 period—the 10-year budget window used at the time it was enacted—was actually $1.4 trillion. I will just show this to my colleagues with this chart because it is very important. The President promised the American people in his speech before a joint session of Congress that it would cost $900 billion. People knew it would cost more. But even then, in the initial 10 year budget window, as he proposed, when we count up all the spending in the Congressional Budget Office estimates of the legislation, including the enforcement mechanism through the IRS agents, closing the doughnut hole and other spending in the law outside of the major coverage provisions, the law spends $1.4 trillion over that same 10 year period. That is almost 50 percent more right there. I think that fact is indisputable. I will ask my colleagues to come tell me if I am wrong.

I would just note parenthetically, one of the most important components of health care reform should have been resolving the doc fix. Under current

law, we are projected, without legislation that takes effect, to reduce Medicare payments to doctors by roughly 30 percent by the end of this year.

At the time the health care law passed, the cost of a permanent doc fix added up to about $200 billion to $250 billion over a 10 year period. Democrats originally included the doc fix in earlier drafts of the bill. But in the end when they looked at the numbers, if they included the doc fix—which is critical and needs to be fixed permanently; not continuing to hang out there every year and to be fixed by borrowed money—then the bill couldn't have continued in surplus. In fact, according to the Congressional Budget Office, it wouldn't continue to be paid for as the President was saying. So they just didn't do it. They just decided they wouldn't fix one of the most important issues in health care, and it remains that way today.

So, as I work through this, we are using nonpartisan Congressional Budget Office numbers.

Most of the major spending provisions in the law, as our colleagues should know, do not take effect until 2014. So the true 10-year score should be 2014 through 2023. That is the 10-year window of full implementation. How much will the bill cost then? Each year it goes up because until 2014 we don't really see a 10-year full cost of the legislation.

So what Democrats did was—and the President deliberately did, with help from his OMB Director, Mr. Peter Orszag—they manipulated CBO's scoring conventions. In the initial 10 year budget window they only included 6 years of spending on the major coverage provisions so that CBO would appear to score it over 10 years and say it would only cost $900 billion. That delay tactic was a pure budget gimmick. So we can look at this chart and see that from 2014 through 2023, each year these red lines represent a situation in which we are closer and closer to 10 years of full implementation and how much the cost will be.

So we go from 2014, and the next 10 years, as the bill is fully implemented, and it will cost $2.6 trillion, almost three times the amount the President promised it would cost.

So people ask: How do we get in a situation where we are borrowing 40 cents of every dollar we spend? This kind of deception. A CEO in a court of law would go to jail if he proposed using that kind of accounting in his business practice and asked people to invest in his stock.

Analysis by my staff on the Budget Committee, based on the estimates and growth rates the Congressional Budget Office utilizes, finds that the total spending under the law, including the other spending not directly related to the coverage provisions, will amount to at least $2.6 trillion, and could be much more.

Now, how did they get this done? It is a sad state of affairs, frankly. The Obama administration, Mr. Orszag, the Office of Management and Budget Director who works directly for the President, also asserted that ''health care reform is entitlement reform.'' In other words, this is going to fix an entitlement danger—the problems we have with Medicare, Social Security, and Medicaid; entitlement programs, each one of which are growing at fast rates that are unsustainable, that will head to bankruptcy in the years to come.

However, a simple comparison of the Federal Government's unfunded obligations for health care programs, before and after the health care law was enacted, clearly proves that the President's health care reform is not entitlement reform. It will not improve our long term spending trajectory. It will not make these programs more viable in the future. It did not put Social Security, Medicare, or Medicaid on a sustainable path. Those programs remain disastrously unsustainable.

The President does not even talk about that any more. Here we are running into a reelection campaign and the country is facing a colossal financial danger from unsustainable debt, and the President would not even talk about it. He says things are getting along fine. I think it is a failure of leadership for him not to talk honestly with the American people about our fiscal challenges.

So before the President's health care law was enacted, unfunded obligations for the Federal health care programs totaled $65 trillion over a 75-year period. That is how much we are going to run short in money to pay for the obligations we have incurred under Medicare and Medicaid—and some other programs, but those are the big ones. After the recent passage of this health care bill, however, the figure, according to my staff's estimates, has gone up to $82 trillion. So the difference in the two numbers is what has been added to the unfunded liabilities of the United States. By the way, $17 trillion is 2½ times the unfunded liabilities of Social Security, which is $7 trillion.

If my colleagues think I am in error about any of these numbers, I hope they will correct me. Perhaps I am, but we work hard to be accurate about them, and I don't believe I am off in any substantial degree.

The bottom line is this: We cannot afford this law and the additional burden it places on our country's finances.

We must repeal this health care law in its entirety and replace it with reforms that will improve our finances and reduce health care costs for Americans, not drive up their costs. This bill, whether you like it or not, will not be implemented. We simply do not have the money. At this time of high unemployment, and almost no growth, it will be hard to do the things that are necessary, that we have to do: fix Social Security, fix Medicare, provide for the common defense. Those things have to be done. We have no money to pay for a $2.6 trillion program over a 10-year period. We have to save these programs we are committed to first.

The President's health care law will not be fully implemented until 2014. It is not too late to stop it now. And we are going to have to, simply because the finances of this country will not allow for it to go forward.

I thank the Presiding Officer and yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mrs. SHAHEEN. Madam President, I am pleased to come to the floor this afternoon to join my colleagues, Senator LANDRIEU and Senator CASEY, in talking about the importance of addressing some of the concerns that face small business.

Senator CASEY said something that I think is very important. He said, when he goes around Pennsylvania, one of the things he hears from his constituents is that they expect us to work together here in Washington, in the Senate, in Congress, to get things done for the people of this country. I hear that from my constituents. I am sure the Presiding Officer hears that from her constituents. People throughout the country expect us to work together, and they want to see us address the economic challenges we are facing in this country.

Well, one of the best ways to address the fiscal issues we are facing is to be able to grow this economy. Nothing is more important to growing the economy, to creating jobs, than small businesses.

Senator CASEY talked about the recent report that came out from his congressional committee talking about the importance of small business. The fact is that over the last decade, businesses with fewer than 250 employees accounted for nearly 80 percent of all new hires. Economists tell us that about two-thirds of the jobs that are going to be needed to get us out of this recession are going to come from small businesses.

In New Hampshire, small businesses are particularly important. We are a small business State. Over 95 percent of all New Hampshire companies have fewer than 500 employees. About 85 percent of New Hampshire companies have fewer than 20 employees.

We have to look at how we can help those small businesses continue to grow.

Yesterday afternoon, I met with a group of small business owners from New Hampshire. They were all owners of construction companies. The construction industry in New Hampshire has been one of those industries that has been hardest hit in our State, and these businesses still need help. These business owners need help if they are going to be able to keep their businesses prospering and create jobs.

The legislation that is before us, the Small Business Jobs and Tax Relief Act, will help these small businesses.

The Landrieu amendment that I want to speak specifically to is critical as we look at how we can provide additional help to these small businesses. I want to talk specifically to two provisions that are in the Landrieu amendment, also known as the SUCCESS Act.

The first one would deal with export issues. What I have learned, as I have been working with business and looking at how we can improve our economy and help create jobs, is that giving those small businesses access to international markets is critical.

What we know is that about 95 percent of the markets are outside of the United States, and yet only 1 percent of our small and medium-sized businesses actually export. So what we have to do is help in every way we can through our policies to give them access to those international markets.

Senator AYOTTE and I both serve on the Small Business Committee. We represent New Hampshire. Last year we held a field hearing in New Hampshire, and we heard from small businesses in our State about what we can do here in Washington that might help them export. As a result of what we heard, we have introduced some stand-alone legislation. But provisions in that stand-alone legislation have been incorporated into the SUCCESS Act—the amendment that Senator LANDRIEU is going to be offering.

Those provisions would help our small businesses. One, they would improve governmentwide export promotion. Right now we have a lot of independent silos, independent efforts that exist in different agencies to help small businesses with exporting. What we want to do is provide more coordination among those independent programs.

It would also increase State events that are targeted to help small businesses export. Both provisions, as we heard from our small businesses in New Hampshire, are important to them, as they think about what they can do to improve their chances of exporting, getting into those international markets, and having the jobs that can be created as a result.

So that is one of the provisions in the Landrieu amendment, the SUCCESS Act, that I think is very important. Senator AYOTTE and I and our staffs have worked very hard on this.

Another provision that again is from stand-alone legislation that was introduced by Senator LANDRIEU, Senator SNOWE, Senator ISAKSON, and myself—so it is also bipartisan legislation—would extend the 504 refinancing program through the Small Business Administration.

As I go around New Hampshire, I still hear the small businesses in my State saying that they are still having challenges accessing credit. Well, extending the 504 refinancing program is to me a no-brainer as we think about how we can give those small businesses access to credit. What these provisions would do is extend for a year and a half the ability for the Small Business Administration to continue refinancing short-term commercial real estate debt into long-term fixed-rate loans, again, through the existing 504 loan program—something that makes eminent sense, something that we ought to do.

So those are two provisions I have worked on specifically with other Members of this body. They are provisions that are bipartisan. I think they have a lot of support. If we can get this amendment to the floor, I think there will be a lot of support for it. And it reflects all of the provisions of the SUCCESS Act that Senator LANDRIEU has been putting together.

Again, I want to end with where I started; that is, the people of New Hampshire and the people of this country expect us to work together to address the issues facing the country. Nowhere is that more important than in what we need to do to help create jobs and helping small businesses have the support they need so they can create the jobs that are going to get us out of this recession. Providing long-term help to those people who are unemployed is absolutely critical. This legislation would help do that. I hope our colleagues, when it comes to the floor, will decide this is one more way we can help small businesses create jobs and grow this economy.

I thank Senator LANDRIEU for her leadership and Ranking Member SNOWE on the Small Business Committee for her leadership and hope we can move this legislation forward this week.

The PRESIDING OFFICER (Mr. WHITEHOUSE). The Senator from Louisiana.

Ms. LANDRIEU. Mr. President, I thank my colleague from New Hampshire for not only being such an aggressive and fine and thoughtful member of the Small Business Committee, but for her constant encouragement to me and to Senator SNOWE to try to pull together some of the ideas that we all can agree on and move forward.

It may not be the most perfect package, it may not be the most extensive package, but as the Senator from New Hampshire said, it is a package that most all of us can agree to, and it has a pricetag of only $4 billion.

That is a lot of money. But compared to the Republican proposal that has come over here from the House at $40 billion, and the Schumer proposal, which I support because it is much more targeted and much more responsible at $20 billion, this $4 billion amendment could have a tremendous bang, a tremendous leveraging power for its cost. And the two proposals Senator SHAHEEN explained beautifully actually have zero cost because the 504 program is a program that pays for itself. All we are doing is extending its authorization so people—and there are thousands of them in Louisiana, in Rhode Island, in New Hampshire, and other States—who are caught paying higher interest rates on short-term loans for commercial buildings—and I am sure we all know someone in that category—can now, if this amendment passes, go to their local bank—it is not a government program; it is a partnership with the local banks and through the SBA—and refinance their building and get a longer term loan.

In fact, I am told that this program, this 504 program, is basically taking up the majority of the space in this lending, that still the lenders are very weak. They are not extending credit out in a long fixed rate. They are lending short term. They are lending with adjustable rates. As the Presiding Officer knows, and many others, when a person is starting a small business and taking so much risk, one risk that can be eliminated is the cost of their money. It is very comforting to a small business owner—who has to borrow, who does not have the savings or has run through their savings or the equity in their home and they have to extend and take that risk—to be able to have a fixed, longer term rate.

So again, this proposal came from Senator ISAKSON, who truly is acknowledged as the expert in this entire Chamber on commercial real estate and on residential real estate. He is known and respected on both sides of the aisle. This is his proposal with Senator SHAHEEN. I thank him for his leadership.

Also, the Senator spoke about the export coordination. Again: zero cost; just smarter government, at no cost. We need more of that around here: smarter government, less spending. That is what Senator SHAHEEN's proposal does, which is a portion of this amendment, the Small Business Export Growth Act.

Let me reiterate that 95 percent of the world's customers are located outside of the borders of the United States. It might be shocking to people in America to realize this, but we represent only 4 to 5 percent of the population of the Earth. We think of ourselves as the biggest and the best, and we are the best. We are not necessarily the biggest when it comes to population, though.

So there are growing markets all over the world. Mr. President, 95 percent of our customers and a majority of the market are outside of the boundaries of the United States. What we are recognizing is, right now only 1 percent of the 28 million small businesses in America export. Why would that be? One, it can be intimidating for a small business, even though they have a great product, they have a great idea, they have great technology. And India needs that technology or some countries in Africa might absolutely want that product or that service. The small businesses are intimidated. They do not have the accountants, they do not normally have access to high-powered, expensive lawyers and trade executives and experts. So that is what our government—and, frankly, State governments are doing this. Smart governments at the State level—whether it is

California, Oregon, Louisiana—all States are now recognizing: Gee, we need to get behind our small businesses in our State and help them to export.

I was very proud to put a substantial investment in the jobs act of 2010, which gave competitive grants to States. And it is remarkable; just a little bit of investment at the Federal level is leveraging a tremendous amount of excitement at the State and local level as those governments accept those grants and then put them to work.

In Louisiana, our department of economic development has been very aggressive in using its step grants. So, again, this is not an additional grant program. This Shaheen-Ayotte proposal has no cost. It is perfecting, coordinating this export initiative by establishing an interagency task force between the SBA, the USDA, and the Ex-Im Bank. It is really encouraging cooperation that now does not exist at the Federal level and requires the SBA, in coordination with other agencies, to conduct one outreach event in each State per year, which I think would really help to motivate our State governments and our stakeholders at the State level to be helpful.

Let me go back to the beginning. We have the SUCCESS Act amendment. I talked earlier about 16 provisions in this amendment. We talked about the 100-percent exclusion of capital gains. We have talked about the increased deduction for startup expenditures, which is Senator MERKLEY's provisions.

Now I want to talk about the S corp holding period. This has come out of the Finance Committee. Senator SNOWE and Senator CARDIN have been very strong advocates of this provision. Under current law, when a corporation becomes an S corporation—and there are, of course, benefits to becoming that kind of corporation—right now it is required to hold its business assets for 10 years or pay punitive taxes. In our mind, this 10-year holding period is too long. It ties up assets that could be sold to raise capital. In 2010, in our small business bill, we reduced this holding period to 5 years so businesses would be better able to manage their planning cycles. So this proposal is to extend the 5-year holding period through 2012 and 2013. You know, potentially, if we could afford it, we would like to make this proposal permanent, but in the Landrieu SUCCESS Act amendment, it would extend it through 2012 and 2013 and has a minimal cost.

The next provision is a carryback provision—up to 5 years of general business credits. This is a proposal about which Senator SNOWE feels very strongly. The proposal would extend the carryback period from 1 year to 5 years for general business credits earned in 2012 and 2013. It would provide tax refunds to businesses that were previously healthy but are currently running losses.

The proposal would improve the effectiveness of business credits that are intended to expand investment and employment. The provision would allow businesses greater immediate benefit from credits designed to encourage specific types of activity. By providing businesses with greater opportunity to claim business credits, the provision would also give an infusion of cash to businesses, which might promote investment. So that is another provision of our SUCCESS Act.

Section 179 is probably the most popular part of our amendment and, again, Senator SNOWE has championed this in the Finance Committee. Many Finance Committee members are completely aware of section 179 in the Tax Code, which deals with expensing that many restaurants and retailers use. Basically, it provides a credit for them if a small business buys machinery and equipment or property contained in or attached to a building other than structural components, such as refrigerators, grocery store counters, office equipment, gasoline storage tanks, pumps at retail service stations, even livestock, including horses, cattle, sheep, and goats, other fur-bearing animals—all of the equipment or products or purchases small businesses make to run their businesses. This would allow an immediate writeoff of up to $500,000 for this kind of property. So, again, it is $2.3 billion over 10 years. It is the most expensive part of this whole amendment, but we think it is $2 billion well invested to encourage those small businesses to make these investments now, to get jobs and expansion opportunities underway.

Twenty-six national business groups, such as the NFIB, the U.S. Chamber of Commerce, the National Association of Home Builders, and the National Association for the Self-Employed, have endorsed this and have sent a letter to us with very enthusiastic support.

The next section is expanding access to capital for entrepreneurs. This was actually mentioned in President Obama's State of the Union Message to us when he talked about his small business proposals. He outlined maybe half a dozen things, a few of which we have implemented and a few of which we have not yet implemented. This was on his bucket list, if you will. And I am a strong proponent of this provision.

We created a small business investment company in a bipartisan way decades ago. It has been one of the most successful programs created to spur business development in the country. It basically operates on a sustainable level and does not cost the Federal Government anything. It is like venture capital—not really like venture capital—it is like an investment; not a bank but a nonbank investment company that was created many years before I became chair of this committee. It is something that was done through Democratic and Republicans administrations because it worked.

All this does is raise the statutory cap from $3 billion to $4 billion, and it increases the amount of leverage of licensees from $225 million to $350 million. They are bumping up against that $3 billion cap. It has been very successful. We would like to take it to the next level. And, of course, some of the most successful funds within SBIC are bumping up against their $225 million cap per fund. So this is one of the great ideas that came out of our roundtable. Again, not only does President Obama support it, it has my strong support and Senator SNOWE's, the ranking member of the Small Business Committee.

The next provision would be the SBA 504 refinance. This extends for a year and a half the ability of the SBA 504 Loan Program. We talked about this. Senator SHAHEEN spoke about this, and I have already explained it. So this is really the Isakson-Shaheen-Snowe proposal.

The next is the small business lending activity index. This is something I have put forward. We have talked with the banks and the SBA. They are all on board and accepting of this concept. It is a way to measure the small business lending activity that is being done at the city-State level through the 7(a) and 504 Lending Program.

It was very curious to me, when I became chair of this committee, that we did not have the measurements in place to actually judge whether some of our programs were really working. Were they working really well or working moderately or were they very weak? So I have instructed my staff and we have been working together to see in every way if we measure and really record the activities of the Small Business Administration. It is only a $1 billion agency, one of the smaller agencies of the government, but that billion dollars comes from taxpayers and we want to make sure that money is spent well and wisely.

So this legislation, again, is at no cost. It can be done within the current budget. It will be called the lender activity index. It will be posted on the SBA Web site. It will have the name of the bank, the number of SBA loans made by each bank, the total dollar amount of SBA loans, the ZIP Code of bank activity, the industries lent to, so we can sort of see how our banks are lending and to what areas, the stage of the business cycle, and then whether it was a woman-owned, minority-owned, or veteran-owned business, if that information can be obtained. It is very simple. We made sure the language is easy for the banks. They already have to report this data; it is just not in a useable format. This will require them to put it in a useable format.

The next is access to global markets. This is what Senator SHAHEEN spoke about. So the major part of this bill is tax cuts to businesses and then some oversight of the SBA, tightening up, coordinating our export strategy. And then the next and final part of this—or next to last part of our amendment is basically access to mentoring, education, strategic partnership.

In our roundtable—I am not going to go into all of the details of these items, but the bottom line is that in our roundtable, experts—business owners and the Kauffman Foundation and others—came to us and said: Senator, you are right, businesses need capital. You are right, we need access to global markets. You are right that we need a fair tax code. But what businesses also need is technical advice and support and training, and we need more education, entrepreneurship education.

The Small Business Administration is not the education agency, so we have been very careful not to mission creep. We have designed a couple of proposals that can encourage better activity within the SBA to form partnerships with nonprofits and even for-profits, not-for-profits, and schools to promote entrepreneurship appropriately. The Federal Government can be a model. It is only one model. But we believe technical training is important. We have partners already established—the women's small business centers and minority business centers. Getting them to be more effective and providing additional counseling is very important.

Finally on this amendment, access to government contracting is another method for small businesses to be able to grow. Governments—whether it is Federal, State, or local—are huge purchasers of goods and services, and if our contracting laws are right and if they are enforced, then small businesses in America will have an opportunity to get started by competing for government contracts or to grow by receiving government contracts. And they are more likely to grow. If a big business gets a contract from the government, they can sometimes absorb that contact and make their company more efficient, giving more work to the people who are already there. And there is nothing wrong with that; that is business. But when a small business gets a government contract, most of the time it results in additional hiring because small businesses have to be lean and agile. So they might have five people but they have a lot of expertise. They land a contract from the government that they are most certainly qualified to do, and then they have to hire. So they have to hire 10 people to carry out that contract, which is why I have been very supportive—Senator CARDIN has been a champion on this issue and Senator LEVIN as well—of giving small businesses an opportunity for contracting. That will really help.

In conclusion on this amendment—I see other Members coming to the floor. I wish to speak for another 5 or so minutes. I came to the floor today to support the underlying bill, which is the Schumer tax cut provision that is targeted tax relief to small businesses in America. I hope our Members will support that.

If for any reason they don't support that, or even if we do, we will still have an opportunity, I hope, to vote on the Landrieu amendment. I say that humbly because this amendment has been put together by Senator SNOWE and her staff with me and members of the Small Business Committee on both sides of the aisle. We picked up some great ideas from individual legislation that had been filed, and it got unanimous consent and review, talking to many people.

So we don't believe it is controversial. We know it doesn't cost that much—$4 billion—and we believe it will have a tremendous and immediate impact on small businesses in America.

I wanted to give that explanation. We have received a tremendous amount of support today from a variety of organizations.

I see my colleague on the floor. I will yield the floor at this time and perhaps will take a few more minutes before 6 o'clock.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. ALEXANDER. Mr. President, I am awaiting Senator DURBIN and Senator ENZI. I will be happy to listen to the Senator from Louisiana if she would like to continue for a while until they come. I plan to speak for a few minutes after they speak on a different subject.

The PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. Mr. President, there are a few other things I would like to say.

I wanted to take a minute to respond to something that Senator RUBIO said earlier, and Senator SESSIONS, while I was on the floor. I have great respect for those two Members, but he came to the floor with a fairly critical diatribe, if you will, against some of President Obama's policies. I have not been a great supporter of the President's energy policies, and I actually appreciate some of the views Senator RUBIO holds about the fact that we need to drill more in this country.

I want to show something I think Florida should be mindful of and suggest that the Senator from Florida could start making that speech at home in Florida because Florida is one of the States that virtually produces no energy, from any source. It has been a bone of contention with me for many years that we have had Senators come to the floor and talk about what so-and-so doesn't do and what so-and-so doesn't do.

I want to remind the Senator from Florida that the gas that keeps the lights on in Florida actually comes from the Mobile Bay. These are the pipelines that Mississippi and Alabama and Texas—9,000 miles of pipelines and drilling—have off of our shore and onshore to provide gas and lights to Florida.

This is a chart that is very interesting. Before America can be energy independent or energy secure, each State should be energy secure, or each region. The country is not made up of smoke and mirrors; it is made up of 50 States. If every State and every region would do its part, either producing or conserving or a little of both, we could actually get there. But I get a little tired of the lectures criticizing us—particularly from States that neither conserve nor produce.

California gets a little bit of a break, even though they consume more energy than any State. They are a net consumer of energy. We are down here, a net producer. The States that produce more energy than they consume are Wyoming, West Virginia, Louisiana, New Mexico, Alaska, Kentucky—and North Dakota should be on here now because this was some years ago. Probably Montana also would be on here now.

The Senator from Florida is coming and lecturing everybody about producing, and his own State produces virtually nothing and consumes everything. I wanted to say that I find that offensive. California gets a little bit of a pass from me because if we look at another chart, they do more to sort of consume energy through government regulations, which I know the other side doesn't like. They think we don't need any regulations, and that is their view. California has a lot of regulations—maybe too much for me as well—but they are doing a lot to conserve. Florida doesn't. Maybe if Florida started doing a little drilling, it would help the United States to be more energy independent.

My second point: I want to answer something Senator SESSIONS said. I will try to find my document on that in a minute. Senator SESSIONS came to the floor a few minutes ago and talked about the cost of the health care bill. The health care bill has some expensive components to it. The purpose of the health care bill, remember, Mr. President—because the occupant of the chair was in the middle of that battle—was designed to reduce the overall cost of health care for the Nation because the percentage of the gross national product going to health care was moving up dramatically and frighteningly—from 12 percent a few years ago to 14 percent, to 16 percent, and it was on its way to 19 percent. It was on its way to 19 percent before Barack Obama got sworn into office.

I am getting tired—and the American people are getting tired—of the same diatribe coming from the other side of the aisle about how the cost of the Affordable Care Act is causing the country to go off the edge. This country was going off the edge before President Obama even became President. They know that. But they are just bound and determined to keep talking about the same old thing day in and day out, about how the Affordable Care Act is wrecking America. The only thing wrecking America is their stubbornness.

I want to put this into the RECORD. When President Clinton was President, as you know, it was the last time we had a surplus. It was the Republican President and the Republican leadership that turned that surplus into a

deficit. The ship had already hit the iceberg before President Obama took his oath of office. Now they want to blame the entire deficit on the Affordable Care Act.

When the Affordable Care Act is implemented—now that the Supreme Court has said it is most certainly constitutional—instead of fighting it every step of the way, it would, in the long run, save money.

They want to talk about this tax, tax, tax, tax. I want to call what they do the ''no care tax,'' because that is the Republican position. Before there was the Affordable Care Act, people in America were losing care rapidly. Small businesses were dropping their insurance. They could not afford it anymore. These premiums have been going up for a long time. The Affordable Care Act didn't drive the premiums up; they were going through the ceiling. We had to do something to try to stop it.

When President Obama came into office, and we saw that the trends were going up, in our efforts to try to get the budget back into balance it was obvious that we had to do something with health care. But they keep talking about tax, tax, tax. I remind them that before we passed the Affordable Care Act, there was a tax on every insurance policy that people in America had because it was a tax for the uninsured. It was about $1,200. That tax was on the backs of the American people before President Obama ever became President, before we even began debating the Affordable Care Act.

The other cost that was going on in this country was the people who didn't have Medicare, who didn't have Medicaid, and didn't have insurance—and it was a rising number of people without insurance. And as States cut back on their Medicaid, a rising number of people who didn't have Medicaid went to our hospitals, our private hospitals, our public hospitals, and our not-for-profit hospitals. Do you know what the Republicans want to tell them. Just treat those people for free. There is no one to reimburse you for this cost. Medicaid will not reimburse them because they are not 65. They don't have private insurance. And the Governors cut back on Medicaid because they can't bear to go look for some tax loopholes that people might not need in order to provide working Americans with health care.

They are too busy campaigning for their next election, so they told all the hospitals: You all go ahead and take care of these people for free. So when a non-paying customer went to a hospital, whom do you think picked up the tab for that? The paying customer.

So before President Obama became the President, before we started trying to figure out a way out of this terrible mess, there was a huge tax on the backs of the American people and a huge debt having to be paid every year by every hospital in America. Why don't they talk about that? They don't.

I hope the American people will listen because I am so tired of that same old speech. I have heard it for 3 years—before the debate, during the debate, and I guess we are going to hear it up to the election. I hope the American people will listen. Don't let them talk about the tax that is supposedly in this bill. The Affordable Care Act is alleviating a tax burden. It alleviates a terrible tax burden, an invisible tax that has been on the American people, and a heavy burden on the backs of the taxpayers—and immoral in some ways, as well—with working Americans working 50, 60 hours a week, and when they get sick, they have nowhere to turn.

Instead of putting their proposals on the table, they decided they wanted to block and tackle and stop and not contribute anything. I think the country will make a good decision. I think the country likes the fact that their kids can stay on their health care plan until they are 26, and they like the fact that when they get sick with cancer or diabetes they cannot be kicked off their health insurance. Particularly businesses would like it if the States would step up and cover some of these lower wage workers, and the burden would not fall on us.

For every Governor—and mine may be one—who rejects the expansion of Medicare, who do they think has to pick this up? It is the small businesses.

The burden should be shared for our lower income workers broadly, not on the backs of businesses that are struggling. That is the way we designed this program. The Federal Government said: We know it is tough. We know it is an expansion. Do you know what. We will pick up the 3 years 100 percent to give you some time, to help you so you can look at your Tax Code, and you might be able to find out and let me get this one more thing off my chest. Who made up the rule that the Federal Government is in charge of the health of every American citizen? Do Governors have any responsibility for health? Are we supposed to just do everything up here? Do mayors and Governors have any responsibility for the health and welfare of the people they serve? I suggest the Governors—some of them—get off the campaign trail, get back to their offices, and start putting health care legislation together—particularly some of the Republican Governors.

I am glad I said that. I am happy to turn over the microphone. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ALEXANDER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MARKETPLACE FAIRNESS ACT

Mr. ALEXANDER. Mr. President, I have come to the floor in support of Senator ENZI of Wyoming, Senator DURBIN of Illinois, and a group of other Senators and House Members who are working on legislation called the Marketplace Fairness Act.

I am going to let them do their own speaking. I am their chief self-appointed cheerleader. Senator ENZI has been working on this ever since he has been in the Senate. He has a special passion for it as a former owner of a shoe store in Wyoming.

Let me see if I can phrase it this way. If I were to ask the question, What do Governor Chris Christie, Governor Mitch Daniels, Governor Jeb Bush, Governor Haley Barbour, Al Cardenas, chairman of the American Conservative Union, Governor Bob McDonnell of Virginia, and Governor Paul LePage of Maine all have in common, one might say they are all Republicans, and that is true. One might say they are all conservatives, and that is true.

The other thing one could say about those Governors and Republicans and conservatives is that they all support the Enzi-Durbin Marketplace Fairness Act. What is the Marketplace Fairness Act and why do they support it? The Marketplace Fairness Act is an 11-page bill about a two-word issue, and the issue is States rights.

The reason I am such a strong supporter and a cosponsor of what they are doing is because when I, in my former life, used to be Governor of Tennessee, nothing would make me angrier than Washington politicians who would try to tell me what to do about my own business. We have a legislature in Tennessee and in Wyoming and we have a Governor and we know what services we want and we have a range of options of taxes to pay for that. It was always my position we could make our own decisions about how to do that.

What Senators ENZI and DURBIN and others of us are saying is that States have a right to decide what taxes they impose and from whom to collect them. If the States of Tennessee or Wyoming say: We are going to have a sales tax and we are only collecting it from half the people, it has the right to be wrong. That is what I mean by States rights.

If I were in Tennessee, I would say: Surely, you will not have a State sales tax and only collect it from some of the people. You would collect it from all the people who owe it. Surely, you will treat all your businesses that are in a similarly situated situation the same way. That would be my position if I were Governor or in the legislature, but I will let them decide that.

What we have advanced in the Senate, which has 13 cosponsors, is a piece of legislation that makes it clear States can decide for themselves whether to collect State sales taxes from some of the people who owe it or from all the people who owe it. I will give an example and then I will sit down and listen to Senator ENZI and let him talk.

This past week I had a birthday, and my wife gave me an ice cream maker

from Williams-Sonoma, which I am sure is going to add a few pounds as the months go on. So there we were over the Fourth of July holiday, and I wanted to get some of the stuff one needs to make ice cream. You can buy ice cream starter from Williams-Sonoma and it comes in a can and it makes the project a lot easier and you can buy chocolate syrup and they will mail it right to your house. You can do all these things online, of course, or I could have driven back to Nashville and gone to the store in Nashville and bought it all there. If I had bought all that stuff in Nashville, I would have paid Nashville's 9.25 percent sales tax. If I buy it online, I wouldn't have to pay the tax when I bought it, except that Williams-Sonoma collects it. So I went on the Internet, put it on my credit card, and there was the amount of money it cost to buy the stuff for my ice cream maker. Right at the end of it, it added the tax on, the same sales tax I owed and would have paid if I had been at Williams-Sonoma in Nashville. So I pushed the button, off it went, they collected the tax from my credit card, sent it to the State of Tennessee, and it was done.

Twenty years ago, that wouldn't have happened with an out-of-State seller. It was too cumbersome. The technology wasn't advanced, the Internet wasn't as fast, and the States had not gotten their acts together. It was all very confusing, and the Supreme Court said you can't impose that on States—requiring an out-of-State seller to collect the sales tax that is owed—even though it may be owed. Today, it is different. It is as easy to figure out the tax as it is to Google the weather in your hometown. In fact, it is easier. It is easier to have the tax collected online than it is to go into the store and do it.

In any event, in the State of Tennessee, Governor Haslam and the Lieutenant Governor—and I can guarantee we are a conservative State—want the right to decide that for themselves. I know what they are going to do, if they have the right to collect the sales tax from everybody who owes it instead of just some of the people who owe it. They are going to lower the tax rate for everybody. They might get rid of the only vestige of an income tax we have, or the food tax might go down. They might spend some more money for teachers' salaries. That is their business.

But I am here to say that Senators ENZI and DURBIN and others have solved a big problem for this country, and the reason why this bill is inevitable and why I hope it will pass this week or next week or the next week—and why I believe the House of Representatives is going to pass it as well—is because it is a simple 11-page bill about a 2-word issue: States rights. That is why Governor Christie and Governor Daniels and Governor Bush and Congressman PENCE and many Republicans and many conservatives are saying let's pass it. Let's get out of the way and let States make their own decisions, and then the States can decide from whom they want to collect their sales taxes.

I congratulate Senator ENZI—and Senator DURBIN—on his work and I look forward to working with Senator ENZI and I hope this year we can continue to turn this bill the Senator has worked on for more than a dozen years into a law.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Mr. President, the Senator from Tennessee, Mr. ALEXANDER, is far too modest. Yes, I have been working on this since I got to the Senate, but he is the one who got it shortened down to 11 pages and made it a States rights bill. The States are realizing their rights anyway, and there are attempts at making changes in the sales tax law in order to cover this huge loss of revenue they are experiencing, but it doesn't work unless we do what the Supreme Court urged us to do when they issued the Quill decision back in the 1990s, which is to pass a national law that clarifies how this tax would be collected if the States choose to do it.

I am very pleased Senator DURBIN joined us on this issue. Practically every State is losing money because of the tax that is only being collected for people who buy instate, and when they buy out of State, they are used to it being collected and it isn't collected. So half the time the State is not getting its money, and we need to change that before States come to the Federal Government and say we need some money for this project and then that sometimes gets worked into a bill. We are out of money at the Federal level. We have eliminated earmarks, so we can't do what we used to do, and we probably shouldn't have done it then. At any rate, we are borrowing 42 cents on every $1 we spend, so we don't have any money to give to the States.

But the States do have this authority, an authority to do a sales tax. Of course, they didn't anticipate they were just going to tax the businesses that were in their State that were paying a property tax and were hiring local people and were participating in all the community events and telling everybody out of State they didn't have any responsibility in it. There has always been an effort to get their responsibility too. I am glad we have this opportunity to discuss the small business jobs and tax bill, but in this amendment to it—which would be known as the Marketplace Fairness Act—we are talking about fairness. We do expect everybody will be treated fairly.

So let's start with a common-day practice that is happening in our Nation's retail markets today. If someone buys the book ''The Hunger Games'' at the local bookshop in town, they will pay more for the book from the brick-and-mortar store than if they bought the book online. There is nothing different about the brick-and-mortar store's book versus the book purchased on the Internet except the sales tax they have to pay. If they choose to do so, States should have the flexibility and the ability to fix this inequality.

Sales taxes go directly to State and local governments. They bring in needed revenue for maintaining our schools, fixing our roads, and supporting our law enforcement. As I like to add, have you ever tried to flush your toilet on the Internet? If sales over the Internet continue to go untaxed and electronic commerce continues to soar, revenues to State and local governments will plummet. But if Congress fails to authorize States to collect tax on remote sales and electronic commerce continues to grow, we are implicitly blessing a situation where States will be forced to raise other taxes, such as income or property taxes, to offset the growing loss of sales tax revenue. Do we want this to happen? No, we don't.

The Marketplace Fairness Act was written in the aftermath of the Supreme Court's 1992 Quill decision. Congressional involvement is necessary because the ruling stated the thousands of different State and local tax rules were too complicated and onerous to require businesses to collect sales tax unless they had a physical presence—store, warehouse, et cetera—in the purchaser's home State.

The Supreme Court essentially stated Congress needs to decide how to move forward. I strongly believe now is the time for Congress to act. Many Americans don't realize when they buy something online or order something from a catalog from a business outside their own State, they still owe the sales tax. For over a decade, Congress has been debating how to best allow States to collect the sales taxes from online retailers in a way that puts Main Street businesses on a level and fair playing field with the online retailers.

The Marketplace Fairness Act empowers States to make the decision themselves. If they choose to collect already existing sales taxes on all purchases, regardless of where the sale was—whether it was online or in a store—they can. If they want to keep it the way they are, the States can do that.

I have been working on this sales tax fairness since joining the Senate in 1997. As a former small business owner, it is important to level the playing field for all retailers—in-store, catalog, and online—so an outdated rule for sales tax collection does not adversely impact small businesses and Main Street retailers. As a State legislator, I know we never passed a law, as I said, that discriminated against the instate people. We never put a burden on people who pay the property tax, who hire local residents and participate in the community events while telling those out of State we want them to have our

money, but they do not have to do anything in return. We never intended to give the out-of-State businesses a free ride. That is what the local legislators are all concerned about.

On November 9, 2011, Senators DURBIN, ALEXANDER, TIM JOHNSON, and I introduced, with six of our other colleagues, in a very bipartisan way, the Marketplace Fairness Act to close this 20-year loophole that distorts the American marketplace by picking winners and losers, by subsidizing some businesses at the expense of other businesses and subsidizing taxpayers at the expense of other taxpayers. All businesses and their retail sales and all consumers and their purchases should be treated equally and fairly.

I wish to provide some highlights of what the Marketplace Fairness Act accomplishes:

The bill gives States the right to decide to collect or not to collect taxes that are already owed. The legislation would streamline the country's more than 9,000 diverse sales tax jurisdictions and provide two options by which States could begin collecting taxes for online and catalog purchases. The bill gives States two voluntary options that would allow them to collect the State sales taxes that are already owed if they choose.

The first option is the Streamlined Sales and Use Tax Agreement, supported by 24 States that have already passed laws to simplify their tax collection rules. The second option puts in place basic minimum simplification measures States can adopt to make it easier for out-of-State businesses to comply.

The bill also carves out small businesses so they are not adversely affected by the new law by exempting businesses with less than $500,000 in sales online or out-of-State sales from collection requirements. It is very important there is an exemption for startup and small businesses if they have less than $500,000 of sales in 1 year. Once they reach the $500,000, then the next year they have to begin collecting the tax. This small business exemption will protect small merchants and give new businesses time to get started.

Don't let the critics get away with saying this kind of simplification cannot be done. In the early 1990s, when the Quill decision was handed down, the Internet was still in diapers and cell phones came with bags and looked like bricks. Cell phones now have Internet capability, and software, computers, and technologies have all advanced at an exponential pace. The different rates and jurisdiction problem is no problem for today's programs.

As a former mayor and State legislator, I also strongly favor allowing States the authority to require sales and use tax collection from retailers in all sales, if they choose to do so. We need to implement a plan that will allow States to generate revenue using mechanisms already approved by their local leaders. We need to allow States the ability to collect the sales taxes they already require, if enacted. This would provide $23 billion in fiscal relief for the States for which Congress does not have to find an offset. This will give States less of an excuse to come knocking on the Federal door for handouts and will reduce the problem of federally attached strings. It will give States a chance to reduce property taxes or other taxes.

The Marketplace Fairness Act is not about new taxes. No one should tax the use of the Internet. No one should tax Internet services. I do, however, have concerns about using the Internet as a sales tax loophole. Sales tax collection is already required by my home State of Wyoming no matter how or where we buy something, if it is not taxed by the State we get it from. We are supposed to fill out our own form and submit the information. Nobody is used to filing that kind of form or doing that kind of tax collection, and they never know whether the tax is owed or how much it is, particularly on small purchases.

It is always collected at the stores by the stores in state. We have to make the system simpler so they don't have to fill out forms. Under Wyoming law, online purchases are already subject to a sales tax; it just can't be collected and given to our State. The situation is very similar to that of other States.

Senators DURBIN, ALEXANDER, and I have worked tirelessly to assist the sellers, States, and local governments to simplify sales and use tax collection and administration. We have worked with all interested parties to find a mutually agreeable legislative package to introduce. Many hours have been dedicated to finding the right solution.

I want to publicly commend and thank Senators DURBIN and ALEXANDER for taking a leadership role in working on this important policy issue.

Ten years ago, the bills we considered to try to close this loophole were not adequate to solve the problem. Marketplace Fairness does solve the problem. It is simple. It is about States' rights. It is about fairness. At a time when States' budgets are under increasing pressure, Congress should give State and local governments the ability to enforce their own laws. I strongly encourage my colleagues to support amendment No. 2496, known as the Marketplace Fairness Act, and get it enacted into public law this year.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. BENNET). The Senator from Illinois.

Mr. DURBIN. Mr. President, I thank Senator ALEXANDER of Tennessee and Senator ENZI of Wyoming, cosponsors of this measure and participants in this colloquy on the floor today. I am sorry I wasn't here at the outset, but I am grateful for their participation and comments they have made, and especially for their commitment to this cause.

I think Senator ENZI—and I would give special thanks to Senator ALEXANDER, who stepped in at a very important moment and helped us craft a part of this bill—helped us craft an agreement on this bill and brought some new approaches to it which have been extremely helpful.

The notion of offering this as an amendment is a show of good faith on our part and a show of commitment to the seriousness and the importance of this issue. The fact that many Democrats and Republicans can join together in this bipartisan manner is an indication that this bill cuts across party lines. I think it gets down to a basic issue, as it says, of fairness.

The economy is clearly getting better. There are better days ahead; jobs are being created and our economy is growing stronger. There may be times when the job numbers are disappointing and the stock market stumbles, and we continue to face challenges in Europe and other places, but we are improving.

Businesses in Illinois and across the country are starting to see customers come back. Small retailers in my home State of Illinois are pushing the slogan ''buy local'' in their effort to urge consumers to come back to local stores, farmers markets, and shoe stores, instead of buying online. These efforts support local brick-and-mortar sellers who contribute to the community in so many different ways. They sponsor the local baseball teams, they collect sales and use taxes that pay for services such as fire, police, and trash collection, and they provide good-paying local jobs.

While these efforts have been successful, many local retailers share with me how frustrating it is to lose business because online retailers have a built-in advantage that I have seen firsthand. While local Main Street businesses collect State and local taxes and use taxes, their online competitors don't. In Illinois, this can mean an 8-percent differential in price. This encourages customers to buy everything from electronics to books online to avoid paying sales tax and use taxes.

A couple examples:

Bob Naughtrip, owner of Soccer Plus in Palatine and Libertyville, IL, describes how his biggest online competitor can offer a discount of more than $10,000 because it doesn't have to collect sales and use taxes. Bob sells sporting equipment to local sports clubs, and it is not unusual for these clubs to make purchases that exceed $100,000 a year. He can't compete when the competition has a $10,000 price advantage, so he loses the business.

Matt Lamsargis, owner of the Springfield Running Center—a person I have come to know—and Bob Thompson, owner of BikeTek, both in my hometown of Springfield, told me when I visited their small businesses last year they are victims of ''showrooming,'' they call it. They lose business when customers walk into the store, look around, maybe even try on the clothing and shoes or even get fitted just right,

write down a few numbers, then walk out the door and order the product over the Internet at a discount, because the Internet seller doesn't collect sales tax and these local retailers have to. Ironically, some of the customers, dissatisfied with their online purchases, come back to the same store to complain about a product they didn't even buy there. So we have got to find a way to make this a fairer marketplace.

Why can't State and local governments require online retailers to collect sales and use taxes? For 20 years, State and local governments have been prohibited from enforcing their own sales and use tax laws because of a Supreme Court decision in Quill v. North Dakota where the Court clearly stated that only Congress has the authority to solve this problem.

Last year, Senator ENZI, Senator ALEXANDER, and I introduced the Marketplace Fairness Act with additional cosponsors. We now have 13 bipartisan sponsors. This bipartisan group of Senators understands that to truly help small businesses grow and create jobs, we need to make sure they compete on a level playing field. The Marketplace Fairness Act would do that. That is why it is being filed as an amendment to the Small Business Jobs and Tax Relief Act.

Our amendment is about saving Main Street businesses and the jobs provided by those businesses. This bill does not mandate the States but it allows States, if they choose, to require online and brick-and-mortar retailers to play by the same sales tax rules. The bill eliminates the built-in price advantage that has distorted the market for 20 years.

It includes, as Senator ENZI recently said, a small seller exemption for those selling less than $500,000 worth of commodities a year. If Grandma Bennet's apple butter is being cased up and sold to the tune of $10,000 or $20,000 a year online because her smart grandson has given her advice on how she can retail this online, she doesn't have to start collecting sales tax until she has sold $500,000 worth of goods; in the next year, she collects sales tax. So we are trying to be sensitive to smaller businesses and, as Senator ENZI said, startup businesses.

This bill includes 240 organizations. I ask unanimous consent that the list of those organizations be printed in the RECORD after my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DURBIN. This is an issue where the International Association of Firefighters and AFSCME stand together with the National Retail Federation, the Retail Industry Leaders Association, and the Consumer Electronics Association. What an amazing coalition.

Amazon.com, the largest retailer online in America, supports our bill. Yet the largest online retailer, in supporting this bill, still has Members of the Senate questioning whether they are going to react positively. They are on record in favor of this.

It is also supported by groups such as the U.S. Conference of Mayors, the National Association of Counties, and the National Council of State Legislators. The National Governors Association supports the Marketplace Fairness Act, because these State and local governments are losing about $23 billion a year on uncollected sales tax. In Illinois, we are losing about $1 billion a year, about 15 percent of our current deficit. It would make a difference if we could collect this. Again, the States would have to make that decision. We don't force it on them.

This has the support of eight Democratic Governors and 13 Republican Governors, including Governor Quinn of Illinois, O'Malley of Maryland, McDonnell of Virginia, Mitch Daniels of Indiana, and Haley from the State of South Carolina. Recently, Governor Chris Christie from the State of New Jersey publicly came out in support and said:

> I too—along with Governors like Governor Daniels and others—urge the federal government and Congress in particular to get behind . . . legislation to allow states to be able to make these choices for themselves. . . .

Governor LePage, a Republican Governor from the State of Maine, wrote a letter of support saying, ''The Marketplace Fairness Act does not raise taxes.'' The point he makes and the argument here is this is not a new tax.

So if this bill has such broad bipartisan support, why haven't we passed it? Well, we need 60 Senators. The majority leader has said to me and Senator ENZI, ''Show me the votes.'' And that is what we are trying to do—bring together a bipartisan group that will support this, that understands it is simple fairness for small businesses that create jobs and opportunities all across America. And with the sales taxes they collect, they provide for local police and firemen, for the sewers and streets, and the things in life that we come to take for granted in our cities across America. We want to make sure the online retailers are making the same contribution.

So I urge my colleagues, when this amendment comes before them, to support it on a bipartisan basis.

Mr. President, I yield the floor.

EXHIBIT 1

SUPPORT FOR THE MARKETPLACE FAIRNESS ACT

American Federation of Labor and Congress of Industrial Organizations; Abbell Credit Corporation, Chicago, IL; Acadia Realty Trust, White Plains, NY; AFL–CIO Department for Professional Employees; Airgas, Inc.; Alabama College Bookstore Association; Alabama Retail Association; Alaska Veterinary Medical Association; Alliance of Wisconsin Retailers; Amazon.com; American Apparel and Footwear Association; American Booksellers Association; American Federation of State, County and Municipal Employees; American Federation of Teachers; American Specialty Toy Retailing Association; American Veterinary Medical Association; Arizona Retailers Association; Arkansas Grocers and Retail Merchants Association; Association for Christian Retail; Association of Washington Business; AutoZone, Inc.; Balliet's LLC; Barnes and Noble, Inc.; Beall's, Inc.; Bed, Bath, & Beyond, Inc.; Ben Bridge Jewelers, Seattle, WA; Best Buy Co., Inc.; Blake Hunt Ventures, Inc., Danville, CA; Build-A-Bear Workshops®, Saint Louis, MO; Buy.com; California Association of College Store; California Business Properties Association; California Retailers Association; California Veterinary Medical Association; Carolinas Food Industry Council; CBL & Associates Properties, Inc., Chattanooga, TN; Cencor Realty Services, Dallas, TX; Center on Budget and Policy Priorities; Certified Commercial Investment Member Institute; Chesterfield Blue Valley, LLC, St. Louis, MO; Christian Booksellers Association; City of Carrollton, Texas; College Stores of New England (MA, CT, RI, ME, VT, NH); College Stores Association of New York State.

College Stores Association of North Carolina; Colorado Retail Council; Colorado Veterinary Medical Association; Connecticut Retail Merchants Association; Consumer Electronics Association; Consumer Electronics Retailers Coalition; The Container Store, Dallas, Texas; The CortiGilchrist Partnership, Ilc, Al Corti, Principal, San Diego, CA; D. Talmage Hocker, The Hocker Group, Louisville, KY; David Hocker & Associates, Inc., Owensboro, Kentucky; DDR Corp., Beachwood, OH; Delaware Veterinary Medical Association; Dick's Sporting Goods, Inc.; DLC Management Corp., Tarrytown, NY; Donahue Schriber Realty Group, Costa Mesa, CA; Economic Alliance of Snohomish County, WA; Edens & Avant, Columbia, SC; Evergreen Devco, Inc., Glendale, CA; Fairfield Corporation, Battle Creek, MI; Federal Realty Investment Trust, Rockville, MD; FedTax, David Campbell, CEO; Florida Retail Federation; Food Marketing Institute; Foot Locker, Inc.; Footwear Distributors and Retailers of America; Forest City Enterprises, Inc., Cleveland, OH; Gap Inc., San Francisco, CA; Garrison Pacific Properties, San Rafael, CA; General Growth Properties, Chicago, IL; Georgia Association of College Stores; Georgia Retail Association; Georgia Veterinary Medical Association; Glimcher Realty Trust, Columbus, OH; Governing Board of the Streamlined Sales and Use Tax Agreement; Government Finance Officers Association; Great Lakes Independent Booksellers Association; The Greeby Companies, Inc., Chicago, IL; Hart Realty Advisers, Inc., Simsbury, CT; The Home Depot, Inc.; Hy-Vee, Inc.; Idaho Retailers Association; Idaho Veterinary Medical Association; Illinois Association of College Stores; Illinois Retail Merchants Association; Illinois State Veterinary Medical Association; Independent Running Retailer Association; Indiana Retail Council.

Indiana Veterinary Medical Association; Institute of Real Management; International Association of Fire Fighters; International Council of Shopping Centers; International Economic Development Council; International Federation of Professional and Technical Engineers; Iowa Retail Federation; Iowa Veterinary Medical Association; J.C. Penney Corporation, Inc.; JCPenney; Jewelers of America; Jo-Ann Stores, Inc.; John Bucksbaum, Private Real Estate Investor/Developer, Former Chairman and CEO of General Growth; Kemper Development Company, Bellevue, WA; Kentucky Retail Federation; Kentucky Veterinary Medical Association; Kimco Realty Corporation, New Hyde Park, NY; The Kroger Company; L. Michael Foley and Associates, LLC, La Jolla, CA; Limited Brands, Inc.; Los Angeles Area Chamber of Commerce; Louisiana Retailers Association; Louisiana Veterinary Medical

Association; Lowes Companies, Inc.; Maine Merchants Association; Maine Veterinary Medical Association; Malcolm Riley and Associates Los Angeles, CA; Marketing Developments, Inc. MI; Marshall Music Co., Lansing, MI; Mary Lou Fiala, CEO, Loft Unlimited, Ponte Vedra Beach Florida; Maryland Retailers Association; Massachusetts Veterinary Medical Association; Meijer, Inc.; Michigan Association of College Stores; Michigan Retailers Association; Michigan Veterinary Medical Association; Mid States Association of College Stores (IA, NE, KS, MO); Middle Atlantic College Stores; Minnesota Retail Association; Minnesota Veterinary Medical Association; Missouri Retailers Association; Mountains and Plains Independent Booksellers Association; NAIOP, Commercial Real Estate Development Association; NAMM, National Association of Music Merchants; National Association of Chain Drug Stores; National Association of College Stores.

National Association of Counties; National Association of Real Estate Investment Trusts; National Association of Realtors; National Bicycle Dealers Association; National Conference of State Legislatures; National Education Association; National Governors' Association; National Grocers Association; National Home Furnishings Association; National League of Cities; National Retail Federation; National School Supply and Equipment Association; Nebraska Retail Federation; Nebraska Veterinary Medical Association; The Neiman Marcus Group, Inc.; Nevada Veterinary Medical Association; New Atlantic Independent Booksellers Association; New England Independent Booksellers Association; New Jersey Retail Merchants Association; New Jersey Veterinary Medical Association; New Mexico Retail Association; Newspaper Association of America; North American Retail Dealers Association; North Carolina Retail Merchants Association; North Carolina Veterinary Medical Association; North Dakota Retail Association; Northern California Independent Booksellers Association; Ohio Association of College Stores; Ohio Council of Retail Merchants; Oklahoma Veterinary Medical Association; Outdoor Industry Association; Pacific Northwest Booksellers Association; Pennsylvania Retailers' Association; Performance Marketing Association; Pet Industry Joint Advisory Council; Petco Animal Supplies, Inc.; PetSmart, Inc.; Planning Developments, Inc., MI; The Pratt Company, Mill Valley, CA; Professional Beauty Association; Properties, Inc., Chicago, IL; The Rappaport Companies, McLean, VA; Real Estate Roundtable; Realtors Land Institute; REI (Recreational Equipment, Inc.); Reininga Corporation, Healdsburg, CA; Retail Association of Mississippi.

Retail Association of Nevada; Retail Council of New York State; Retail Industry Leaders Association; Retail Merchants of Hawaii; Retailers Association of Massachusetts; Rhode Island Retail Federation; Rocky Mountain Skyline Bookstore Association (CO, MT, NM, WY); Safeway, Inc.; Sears Holdings Corporation; Seattle Metropolitan Chamber of Commerce; The Seayco Group, Bentonville, AK; The Sembler Company, St. Petersburg, FL; Service Employees International Union; ShareASale; Simon Property Group, Indianapolis, IN; Soccer Dealer Association; Society of Industrial and Office Realtors; South Carolina Association of Veterinarians; South Carolina Retail Merchants Association; South Dakota Retailers Association; Southern Independent Booksellers Alliance; Southwest College Bookstore Association (AR, LA, TX, OK, NM, MS); Steiner + Associates LLC, Columbus, Ohio; Stirling Properties, Covington, LA; Tanger Factory Outlet Centers, Inc., Greensboro, NC; Target Corporation; Taubman Realty Group, Bloomfield Hills, MI; Tennessee Retail Association; Tennessee Veterinary Medical Association; Texas Retailers Association; The Timberland Company; Tractor Supply Company; Tri-State Bookstore Association; The UAW; U.S. Conference of Mayors; Utah Food Industry Association; Utah Retail Merchants Association; Utah Veterinary Medical Association; Vermont Retail Association; Vestar Development Co.—Phoenix AZ; Virginia Retail Merchants Association; Virginia Veterinary Medical Association; Wal-Mart Stores, Bentonville, AR; Washington Retail Association; Washington State Veterinary Medical Association; WDP Partners, LLC, Phoenix, AZ; The Weitzman Group, Dallas, Texas; Wendy's Company; West Virginia Retailers Association; West Virginia Veterinary Medical Association; Western Development Corporation, Washington, DC; Westfield, LLC., Los Angeles, CA; Wisconsin Association of College Stores; Wisconsin Veterinary Medical Association; Wolfe Properties, LLC, St. Louis, MO; World Floor Covering Association; Wyoming Retail Association; Wyoming Veterinary Medical Association; Zumiez, Inc., Everett, WA.

The PRESIDING OFFICER. The majority leader.

Mr. REID. Mr. President, I ask unanimous consent that all remaining time postcloture be yielded back and the Senate adopt the motion to proceed to S. 2237.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

## SMALL BUSINESS JOBS AND TAX RELIEF ACT

The PRESIDING OFFICER. The clerk will report the measure.

The assistant legislative clerk read as follows:

A bill (S. 2237) to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes.

AMENDMENT NO. 2521

(Purpose: In the nature of a substitute)

Mr. REID. Mr. President, on behalf of Senator LANDRIEU, I have a substitute amendment at the desk I wish to have reported.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Ms. LANDRIEU, proposes an amendment numbered 2521.

(The text of the amendment is printed in today's RECORD under ''Text of Amendments.'')

Mr. REID. On that, Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 2522 TO AMENDMENT NO. 2521

Mr. REID. Mr. President, I now have a first-degree perfecting amendment which is also at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 2522 to amendment No. 2521.

The amendment is as follows:

At the end, add the following new section:

**SEC._____.**

This Act shall become effective 7 days after enactment.

Mr. REID. Mr. President, I ask for the yeas and nays on that.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 2523 TO AMENDMENT NO. 2522

Mr. REID. I have a second-degree amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 2523 to amendment No. 2522.

The amendment is as follows:

In the amendment, strike ''7 days'' and insert ''6 days''.

CLOTURE MOTION

Mr. REID. Mr. President, I have a cloture motion on the substitute amendment which is at the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the substitute amendment No. 2521 to S. 2237, the Small Business Jobs and Tax Relief Act.

Harry Reid, Mary L. Landrieu, Kirsten E. Gillibrand, Barbara A. Mikulski, Carl Levin, Frank R. Lautenberg, Barbara Boxer, Mark Udall, Mark Begich, Sheldon Whitehouse, Richard Blumenthal, Al Franken, Patrick J. Leahy, Tom Udall, Max Baucus, Benjamin L. Cardin, Richard J. Durbin.

AMENDMENT NO. 2524

(Purpose: To provide a perfecting amendment.)

Mr. REID. Mr. President, I have an amendment at the desk to the language proposed to be stricken.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 2524 to the language proposed to be stricken by amendment No. 2521.

(The text of the amendment is printed in today's RECORD under ''Text of Amendments.'')

Mr. REID. Mr. President, I ask for the yeas and nays on that amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 2525 TO AMENDMENT NO. 2524

Mr. REID. I have a second-degree amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 2525 to amendment No. 2524.

The amendment is as follows:

At the end, add the following new section:

**SEC. ____.**

This title shall become effective 5 days after enactment.

AMENDMENT NO. 2526

Mr. REID. I have a motion to commit the bill with instructions. The clerk has that.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID] moves to commit the bill (S. 2237) to the Committee on Finance, with instructions to report back forthwith, with amendment numbered 2526.

The amendment is as follows:

**SEC. ____.**

This Act shall become effective 3 days after enactment.

Mr. REID. I ask for the yeas and nays on that motion.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 2527

Mr. REID. Mr. President, I have an amendment to the instructions at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 2527 to the instructions of the motion to commit S. 2237 to the Committee on Finance.

The amendment is as follows:

In the amendment, strike ''3 days'' and insert ''2 days''.

Mr. REID. Mr. President, I ask for the yeas and nays on that.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 2528 TO AMENDMENT NO. 2527

Mr. REID. Mr. President, I have a second-degree amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 2528 to amendment No. 2527.

The amendment is as follows:

In the amendment, strike ''2 days'' and insert ''1 day''.

CLOTURE MOTION

Mr. REID. Finally, Mr. President, I have a cloture motion on the bill which is at the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on S. 2237, the Small Business Jobs and Tax Relief Act.

Harry Reid, Max Baucus, Mary L. Landrieu, Kirsten E. Gillibrand, Barbara A. Mikulski, Carl Levin, Frank R. Lautenberg, Barbara Boxer, Mark Udall, Mark Begich, Sheldon Whitehouse, Richard Blumenthal, Al Franken, Patrick J. Leahy, Tom Udall, Benjamin L. Cardin, Richard J. Durbin

Mr. REID. I ask unanimous consent that the mandatory quorum requirement under rule XXII be waived for the cloture motions just filed.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PROVIDING AN INCENTIVE FOR BUSINESSES TO BRING JOBS BACK TO AMERICA

Mr. REID. Mr. President, I move to proceed to Calendar No. 442, S. 3364.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

Motion to proceed to S. 3364, a bill to provide an incentive for businesses to bring jobs back to America.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, right now the Senate is considering the small business jobs bill, a very important proposal that was part of President Obama's package to increase employment in this country. It will create a million jobs. This legislation will give tax credits to businesses that grow and hire. Yet Republicans are looking for any excuse to vote down the proposal for two reasons: No. 1, it has the support of President Obama and the Democrats in Congress. Second, it would strengthen the economy, which would help President Obama.

We know Republicans will not do anything that helps President Obama, even if it is good for the economy, because their No. 1 goal is to defeat the President. My friend MITCH MCCONNELL has said that. So Republicans are hiding behind their usual procedural trick, filibustering with unrelated amendments. If there is any doubt about Republicans' motivation to kill this legislation, take a look with me at the amendment proposed today by Senator HATCH of Utah.

The first thing Senator HATCH's amendment would do is eliminate all the tax cuts, every tax cut we have in this proposal, every one of them, the one that is now before the Senate, to create a million jobs. The Hatch amendment would literally eliminate every provision in the bill designed to create jobs.

Senator HATCH's amendment eliminates the 10-percent credit for employers to hire additional workers or increase their payrolls, a provision that would create—that part alone—a half million jobs. It strikes another deduction for businesses that invest in machinery and equipment which would create another half million jobs.

But the Republican amendment does not stop there. It goes on to increase taxes for 25 million American families. The Republican amendment, I repeat, increases taxes for 25 million American families. Senator HATCH's amendment would extend tax breaks for the top 2 percent of Americans, but it fails to extend a number of tax cuts that help middle-class families get by in a very tough economy. For example, Senator HATCH's amendment, a Republican amendment, would increase taxes by $1,100 for 11 million families trying to pay for college—11 million families, in effect an increase of their taxes by $1,100.

The Republican amendment would make it harder for 12 million large families to put food on the table. It would increase taxes by $800 for families that have three children or more. Senator HATCH's amendment, the Republican amendment, fails to extend the full childcare tax credit for 6 million families, increasing their taxes by $500 each.

So no one is fooled by the Republican amendment. We see it for what it is, more Republican obstruction that comes with the added bonus of sticking it to the middle class. If that were not enough political theater for 1 day, my Republican colleagues also claim they are anxious to vote on President Obama's plan to cut taxes for 98 percent of American families. Once again, no one should be fooled. Republicans know very well the Senate will vote on the President's proposal to give middle-class families the certainty they will not be hit with a tax increase. We will vote on it this work period. I have already said so. They say they want a vote sooner, so let's lock in an agreement sooner. The President's plan to give 98 percent of Americans certainty their taxes will not go up and Republican plans to raise taxes on 25 million American families—Democrats are ready to have those votes right away and we will do it with a simple majority. Then we can get back to the task at hand, cutting taxes for millions of small businesses that want to expand and put Americans back to work.

I have a consent agreement that I will go through with you.

UNANIMOUS CONSENT REQUEST—S. 2237

Mr. President, I ask unanimous consent that cloture be vitiated with respect to the substitute amendment on S. 2237, that the motion to commit be withdrawn and amendment Nos. 2525

and 2522 be withdrawn; that at 2 p.m. tomorrow, Thursday, July 12, the Senate vote in relation to the following amendments: amendment No. 2524, which is the Cantor language; substitute amendment No. 2521; that there be no other amendments or motions in order to the amendment to the bill prior to the votes other than motions to waive or motions to table; that upon disposition of the two amendments the Senate proceed to a vote on passage of S. 2237, as amended, if amended; further, that at a time to be determined by the majority leader after consultation with the Republican leader the Senate proceed to consideration of a bill to be introduced by Senator REID or designee, extending the 2001, 2003, and 2009 tax cuts for 98 percent of Americans and 96 percent of small businesses as outlined by President Obama; that the only amendment in order to the bill be an amendment offered by Senator MCCONNELL or designee, which is identical to the text of amendment No. 2491, as filed by Senator HATCH; that the amendment not be divisible; that there be 4 hours of debate on the amendment and the bill, equally divided between the two leaders or their designees prior to a vote in relation to the McConnell or designee amendment; that upon disposition of the amendment the Senate proceed to vote on the passage of the bill, as amended, if amended; that there be no motions or points of order to the amendment or the bill.

The PRESIDING OFFICER. Is there objection?

The Republican leader.

Mr. MCCONNELL. I am glad my friend the majority leader has dropped his earlier opposition and now wants to make an effort to set up these votes on this important issue. On Monday, the President said that if the Senate passes his tax hike on small businesses he would sign it right away. So I am glad the Senate will have a chance to beat that bad idea that will raise taxes on nearly 1 million small businesses.

I will be happy to take a look at what my good friend the majority leader is offering, but I cannot at this time agree to lock in a vote at an indeterminate time on a proposal that has not yet been written. My good friend has had all day to come up with a written proposal, but I gather that so far they have been unable to do so or, if they have, we certainly have not seen it. Our proposal is drafted and filed and has been available for all to see.

My goal here—and it is one that I laid out several weeks ago—is that we act now to ensure that no one's income taxes go up January of next year. The mere threat of this tax increase is already a drag on our economy and I do not plan on standing by and letting that tax increase go into effect.

So we would be happy to set up a vote on this issue as soon as the majority leader produces a bill to show us what tax increases they have in mind. I want to make sure that everyone understands the differences in our positions. My goal—and I hope it is one that is shared by a majority of Senators—will be to enact a bill that protects small businesses by extending current income tax rates for 1 year to ensure that no one in America sees an income tax hike in January, and tasking the Finance Committee to produce a bill that would enact fundamental progrowth tax reform. Their goal will be the President's proposal to raise taxes on nearly 1 million business owners in the middle of the worst economic recovery in modern times.

The Senate ought to make absolutely clear which policy it supports. I look forward to having the chance to do that, but until that time, until we actually have a product we can take a look at, I cannot agree to this request, and therefore I object.

The PRESIDING OFFICER. Objection is heard.

The majority leader.

Mr. REID. Mr. President, I will be very brief. My friend the Republican leader said this morning, and I quote directly: I am trying to get a vote, a vote on what he says he's for, on what the President says he's for, and what the Republicans say they are for. That is what this consent agreement does.

I am happy to let the Republican leader read the exact language. But let no one be fooled by this. The Hatch amendment does not do anything to protect small businesses. It does everything to protect Grover Norquist and his pledge; that is, make sure the American people are not satisfied. They believe—Democrats, Independents, and Republicans—that the top 2 percent of income earners in this country should contribute to solving the problems we have with the deficit and the debt in this country. That is what this is all about.

I look forward to working with my friend the Republican leader to see if we can come to a position here where we can vote on the bill that is before us. I am concerned because the Hatch language eliminates our bill, but I am happy to have staff, during the night, look and see if we can arrive at some way to move forward. But I think I made my point clear.

Mr. MCCONNELL. Mr. President, one other brief observation. I have already objected, but one other brief observation. The consent that I objected to also chose for us the amendment we would get to have, and of course that is not an agreement the Republican side would feel we would want to be a part of.

Mr. REID. Mr. President, I am only trying to do what they said they wanted to do this morning. Senator HATCH came and gave a big speech: This is what they want to do. If they have something else they want to propose, I am happy to take a look at that, but I only am trying to do what they said they wanted to do this morning.

Mr. President, I suggest the absence of a quorum unless my friend has more to say?

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BENNET. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. UDALL of Colorado). Without objection, it is so ordered.

## MORNING BUSINESS

Mr. BENNET. Mr. President, I ask unanimous consent that the Senate proceed to a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

## TRIBUTE TO JOHN BOWLING

Mr. MCCONNELL. Mr. President, today I wish to recognize Mr. John Bowling of Laurel County, KY. ''Big John Bowling,'' as he is affectionately called by friends and family, not only served Laurel County as jailer during the 1970s, but has also lived a life of kindness and integrity. His legacy to Kentucky exceeds his public service because not only was he a compassionate jailer, he also built a loving home for his family that welcomed all members of the Laurel County community.

John Bowling met his wife, Imogene, at a church dinner. After commenting on the quality of a macaroni salad at the dinner, his pastor introduced him to Imogene. At that time Imogene was married, but later, in 1964, her husband was tragically killed in a car crash and Imogene was left with three children aged 7, 4, and 2 years old. Imogene began working at Hoskins Grocery where, 5 years later, she and Mr. Bowling became reacquainted.

The couple began dating and they brought Imogene's children along on every date. After 6 years, the couple married. In their first year of marriage, Imogene had another daughter, Tammy Jo. The four children loved their parents and considered John to be an excellent father. Mr. Bowling truly cared for the children, which he showed by ensuring chaperones came along on all of their dates which were only at church.

The family continued to grow when Imogene was approached to take in Toni, a 21-year-old who did not have a palette in her mouth, had limited hearing in one ear, and no hearing canal in the other ear. Though Toni could only communicate through sign language, she quickly became part of the Bowling family.

Crediting faith in God for their success in blending a harmonious family, John Bowling created a home atmosphere that was accepting of anyone who crossed his home's threshold. From adopting his wife's children, to taking in Toni, to allowing relatives and family friends to stay with the family, Big John made his home one of love.

It is an honor today to pay tribute to my fellow Kentuckian, John Bowling. Mr. Bowling not only made a family and lovingly raised his children, but also opened up his home for those in need of a place of refuge and comfort. He is an example of what it means to live by the Golden Rule. The Laurel County community is better off today because of the impact ''Big John Bowling'' has made and the compassionate way in which he treated others.

At this time I ask my Senate colleagues to join me in recognizing Mr. John Bowling for his service to Laurel County, KY. An article from the Sentinel Echo: Silver Edition magazine, published in Laurel County, recently highlighted this humble man's invaluable contributions to his family and community. I ask unanimous consent that said article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[The Sentinel-Echo: Silver Edition, Spring 2012]

JAILER BY VOCATION, FATHER AT HEART

(By Nita Johnson)

Though known more commonly as ''Big John Bowling,'' a former and extremely popular county jailer, John Bowling is also remembered as an excellent father.

He was renowned for his kindness and humanity while serving as Laurel County Jailer during the 1970s, traits he showed to both jail employees and inmates and he also displayed to his wife and children at home.

Although only one of the five children he raised with his wife, Imogene, was his biological child, Bowling's other children recall him as being a loving father to them.

Bowling met Imogene at a church dinner at Piney Grove Holiness Church on Ky. 363 on an invitation from then-pastor Bobby Medley. Bowling and Medley were good friends, and Imogene, who was married at that time, and Medley's wife were good friends, though Bowling and Imogene had never met. When Bowling sampled some macaroni salad at the dinner that Sunday, he was impressed.

''He said he told Bobby that he didn't know who made that macaroni salad, but if she was single, he was going to marry her,'' said his daughter, Joyce Parker. ''So Bobby introduced John to Mom.''

That meeting was one of the highlights of Imogene's life. In 1964, her husband was killed in a car crash, leaving her with three children—ages 7, 4, and 2—to raise alone. She had no job, no car, no driver's license, and was herself very ill.

''The day after the funeral, she went to Good Samaritan Hospital,'' Parker explained. ''She was in and out of the hospital five times for 10 days with bleeding ulcers.''

''She'd been eating vanilla wafers and drinking skim milk,'' added Barbara Wells, another daughter.

''She was actually healed from the ulcers,'' Parker said. ''She came home to spend some time with us and went to a revival. The preacher went to her and told her she needed healing. When she went back to the doctor, she didn't have the ulcers.''

Once back in good health, Imogene set out to obtain a job. She got her driver's license, bought a car, and began working at Warner's store in London around 1966. She later worked at Hoskins Grocery on Ky. 363, where she met John again when he came into the store one day.

The couple began dating, with Imogene insisting on taking the children with her on dates, even though other family members offered to keep the children.

''When she and John dated, she wouldn't go without us,'' Wells said. ''John had a truck with a camper on it and we'd ride in the back and look through the window into the front.''

Their union came six years later. The family consisted of Imogene's children, Barbara, Joyce, and Gerald, as well as Imogene's mother, who had lived with them since Imogene's husband died. Eleven months after their marriage, John and Imogene became the parents of Tammy Jo.

''John was always good to us,'' Parker said. ''He hauled trucks from GM dealers and he got us all a new watch so we loved him.''

''He never spanked us,'' Wells added. ''I guess that's why we never resented him. Mom did all the discipline.''

''The kids were never much trouble,'' Bowling said. ''They were always good kids.''

Wells, the eldest of the brood, said rules were very strict at the Bowling household, however.

''We had curfews and rules. We had chaperones on our dates, which was only going to church,'' she said. ''There was an old lady that lived near us and, when I had a date, she chaperoned us. Then later on, Joyce and Gerald chaperoned.''

''Then I chaperoned when Joyce dated,'' chimed in Tammy Jo.

Children were always welcome at the Bowling household, with nieces and nephews from both sides of the family often living with the family. Imogene also took in disabled adults and elderly persons, as she was certified to keep as many as three at one time.

Then the family extended again with the arrival of Toni, who has now lived with the Bowling family for 38 years.

''She was an orphan and was born with deformities,'' Imogene said. ''Her father wanted to just leave her at the hospital (in Philadelphia) but her mother wouldn't do it. She remarried and had another child and died. The stepfather kept (Toni) around until the baby was big enough that he could take care of her and he took her to a mental health office.

''They called me and asked if I could take her,'' Imogene continued. ''She cried every day, all day, for three weeks and I told them I couldn't keep her. Then she started doing better. She's been with us since she was 21 years old.''

Toni, who lacked a palette in her mouth and had only 20 percent hearing in one ear and no hearing canal in the other ear, can speak only partially and uses sign language to communicate. But she is as much a part of the Bowling family as the other four children, all of whom express their love for one another.

While many question the success of blended families, the Bowling family credits their faith in God and religious background for their own success. They also credit the demeanor of their parents.

''John was not a typical stepfather,'' Parker said. ''He took care of us, always worked hard and my parents never raised their voices.''

''I think one key to blended families is that Mom did the discipline,'' Wells said. ''My husband, Mark, has three stepdaughters and he never spanked them. I did the discipline. I think that is one reason that our family worked. We didn't have that jealousy or resentment or saying that he wasn't the real dad.''

Whatever the secret of successfully blended families may be, the Bowlings and their children all agree that staying in church was a key factor. Now approaching their 43rd anniversary in June, the couple continues to stay close to their children, always showing their love and support for one another and celebrating the true meaning of family.

## TRIBUTE TO ALICE HELTON

Mr. MCCONNELL. Mr. President, today I wish to honor Mrs. Alice Helton of Laurel County, KY. Though she may have never held public office, Mrs. Helton invaluably served her community through kindness, hospitality, and an unselfish desire to help those around her. On April 26, 2012, she died at age 94. Her legacy of faith, generosity, and love will survive her in the memories of her family, friends, and the citizens of London, KY.

Mrs. Alice Helton, then-Miss Alice Hill, the last of eight children, was born on May 2, 1917, in Keavy, KY, to farmers Mr. John and Mrs. Sallie Hill. She was raised in the country and lived a simple life. The family would work together in the fields during the day and on Sundays be visited by neighbors while the children played marbles. Alice, in her interview with the Sentinel-Echo for the London Living Treasures special series, recalled plucking duck feathers with her mother as a child and walking for hours to find ducks to make feather beds and pillows.

At age 7, Alice began attending Keavy School. One of her fondest memories of grade school was spending time at recess with her friends throwing horseshoes and watching boys play basketball. After elementary school, she attended a boarding school called London School. Upon finishing the eighth grade, she returned home, lived with her parents, and looked after her siblings' children while they were at work.

Alice met William Raymond Helton, a truckdriver from Corbin, KY, when she was 22. Though her family didn't support the relationship, the two eloped and were married. Mrs. Helton, during the first 17 years of her marriage, had seven children. The family lived in a small house, near her parents, which soon became the place where the entire family would meet and spend time together.

Her children have many colorful memories of growing up with Mrs. Helton. They never questioned her love or willingness to protect the family because during the week, when her husband was away driving a truck, she would ward off thieves trying to steal the family chickens by shooting her rifle toward a row of trees behind the coop. In order to avoid becoming a victim of her unique security system, all family members would call out to her any time they passed the yard.

Mrs. Helton was described as a ''magnet'' that drew all of the family together. She would take on the role of mother to her nieces and nephews as her siblings passed away and loved them as if they were her own children. Her love also was shown by entertaining them at game nights, where

card games and Yahtzee were the main attraction.

Mrs. Helton was more than a wife, mother, grandmother, aunt, and member of the Laurel County community. She was the matriarch of the Helton family and the glue that held it together. From talking on the phone for hours on end with her children and grandchildren to taking in family and friends in need, Mrs. Helton lived a life of compassion and kindness. After her death, a neighbor said that she tried to live the way Jesus lived, but if she only lived half as well as Mrs. Helton, she would be satisfied.

It is a privilege to honor the legacy of Mrs. Alice Helton. A true pillar of the Laurel County community, she was an example for all Kentuckians of a woman who lived her life with integrity and love. I ask my fellow colleagues in the Senate to join me in remembering this remarkable woman from Laurel County, KY.

A recent article published by a Laurel County publication, the Sentinel-Echo, recognized Mrs. Helton's lifetime of contributions to her family and community. I ask unanimous consent that said article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[The Sentinel-Echo, May 16, 2012]

ALICE HELTON WAS SURROUNDED BY FAMILY

(By Tara Kaprowy)

Before Alice Helton passed away a few weeks ago, just six days shy of her 95th birthday, she said getting to see her loved ones in heaven would be the best birthday present she could ask for.

It was a Thursday afternoon, and Alice's family members had gathered around her hospital bed, which she'd occupied for just a few days. ''She said she was ready to go, and for us to please just let her go peacefully,'' granddaughter Lisa Alexander said. ''She made sure she held each family member's hands, and told them how much she loved them. She told them to love each other and to take care of each other.'' She quietly slipped away around 2 in the afternoon, and the woman who was the magnet that pulled her large family together, and whose home was always described as Grand Central Station, was gone.

She had a good, long life. One that started May 2, 1917, in Keavy, ''right across the field'' from her current home on German Lane. The youngest of eight siblings, she was born to John and Sallie Ann Karr Hill. ''Our house was about like a school, there were so many of us,'' Alice said. ''Mommy and poppy were good people.'' John and Sallie were farmers, and ''mommy would do the cooking and we would all come back in from the field and eat dinner; plain old country meals of beans, potatoes, and cornbread. Then we would go out in the field and work and come back and have a cold supper, usually milk and bread.''

In addition to farming, John Hill delivered the mail for the U.S. Postal Service. ''Sometimes I'd go with him and he'd deliver those packages on horseback from Vox to Lily. He'd buy me a little candy to eat on while we was gone, that sugar candy.''

The Hill home was a plain but happy one, with the kids playing hide and seek and marbles while the adults visited with neighbors on Sunday afternoons in between going to church at Locust Grove and Level Green.

It was hot in the house in the summer, with no screens to keep the flies ''and everything else there is to have'' away, and so cold in the winter the dipper would freeze in the water bucket overnight. On snowy days, ''we would pop popcorn on the stove and piece quilts,'' Alice said. Once a week, the family would head to a big spring ''and there was a great, old big rock there we'd use to set our tubs on'' to do laundry. Another tub was used for baths. ''It was a lot of trouble,'' Alice said about bathing when she was a kid, ''but the water stayed pretty warm.'' Alice, being the baby, would always be the last one in the water.

One of the chores she keenly remembers was rounding up her mother's paddling of ducks. ''Mommy would pick the feathers off them and make pillows and feather beds,'' Alice said. ''Here we'd go marching down the branch to find her ducks. We'd have to gather them back up and drive them back home. Some later, there they'd go again. We'd go up and down through there catching them. And then we'd go and look for wildflowers up and down the branch. My mom would walk us to death.''

Alice's mother made all of her children's clothes, often cobbling together feed sacks for the girls to wear. But Alice didn't mind. ''They were just as comfortable and pretty as store-bought,'' she said.

Alice started attending Keavy School at the age of 7—''I didn't want to go when I was 6'' and she quickly made fast friends with Georgia Alsip and Anna Lee Bunch. ''We'd get out and roam around at recess. We'd watch 'em play basketball. Sometimes we'd pitch horseshoe. Back then we had a recess that lasted about half an hour of a morning. Then we had another at dinner, then another half an hour in the evening. We had time to play.''

The school was a ''big, white, two-story building with an aisle up through the middle and rooms up each side. There were stairs up each side of the front door.'' One of her teachers, Oscar Parman, boarded with the Hills, and he ''was just like a brother to me.''

Following elementary school, Alice went on to London School, where, boarding with her sister in town, she stayed until the eighth grade. She then returned to her parents' house and, since several of her siblings had become teachers and started raising their own families, the care of their children during the day fell to Aunt Alice. She took on the role naturally and was a loving, tender caregiver whose influence long outlasted her babysitting days.

At the age of 22, Alice met a man by the name of William Raymond Helton, a truck driver who lived in Corbin, with whom she was soon taken. Though she didn't have the support of her family—''They just didn't think he was the kind I should marry''—Alice got up early one morning, washed a white dress with pink flowers and told her sister, with whom she was living, she was headed down to a revival. ''I got down there at the foot of the hill and he's sitting there on a bench waiting for me and we turned around and went back to Preacher Grubb's house. In other words, we eloped.''

Alice and her husband moved into a tiny starter house, and soon she and Raymond started a family. Over the next 17 years, they had seven children—Freda, Herschel, Joan, Wanda, Wayne, Debbie, and Danny—and during World War II moved into their first real home a stone's throw away from her parents. ''It wasn't much because you couldn't get lumber back then because of the war,'' she said. ''They just threw it up as good as they could make it.'' Still, Alice made it her own, and soon it was a popular gathering spot for friends and family.

Alice was an indulgent, kind mother, and her children have fond memories of chasing lightning bugs in the twilight, listening to the Grand Ole Opry, watching ''Lassie'' and ''Rin Tin Tin,'' and heading out for ice cream cones at the local dairy drive-in. Though Alice very rarely had a chance to relax, when she did, she liked spending time ''watching the kids play.''

But Alice was deeply protective too. ''Daddy would be gone during the week and it was just us kids,'' daughter Joan remembered, laughing. ''She would hear people trying to steal her chickens. So she would make all of us kids get behind the couch and she would get out there and start shooting at the trees, to try and scare them off. My uncle worked for the railroad, and he would have to walk to the end of our road to catch his ride at night. And he'd start hollering, It's me, Alice!' because he didn't want to get shot.''

In 1969, Raymond built the family a new, bigger home across the street, and it's there Alice remained, even after Raymond died from Alzheimer's at the age of 83. Though widowed, Alice didn't stop ''being the glue that held us all together,'' Joan said. As she'd done before she married, Alice continued taking care of kids; this time it was her grandchildren whom she would babysit. Her nieces and nephews would constantly visit or call, and when her mother decided she no longer wanted to live alone, she showed up at Alice's door and moved in. ''As our parents passed on, Aunt Alice would say, I'm adopting you now and I have a little job for you to do,' so Aunt Alice became our surrogate mother and we all snuggled under her loving wings to survive our tragedies,'' one of Alice's nieces, Peggy Black, said.

During the week and every Sunday, Alice would get together with her siblings for game night, entertaining, and competitive evenings involving Yahtzee, Aggravation, Chinese checkers, and a complicated game called Hand and Foot that required seven decks of playing cards. ''We'd always come in here and we'd hear the dice rolling and we'd say, 'It sounds like the casino is open today,'" granddaughter Lisa recalled. Alice and her brothers and sisters would gather in the kitchen while their children and grandchildren would sit outside to visit, the laughter and drama stemming from the game wafting onto the porch. This tradition continued for decades, with most of Alice's siblings living into their 90s.

In the end, Alice was the last of her siblings to survive but continued to be surrounded by family. On the afternoon of her interview, her phone rang nearly every 10 minutes, with family members on the other end calling for a chat. One of her daughters and a granddaughter sat on the couch to ask her questions. And Alice sat in her recliner talking, remembering and smiling at the past.

Thoughts from the family:

Alice's family said that when she first found out that she not only had been nominated, but also chosen as one of London's Living Treasures, the first thing she said was ''I haven't done anything special to deserve this. I haven't fought in any wars, or held any high positions in the community. I don't know what they will find to write about me.'' We assured her that yes, all the things she had mentioned were indeed important, but that she too had done some pretty important things in her life as well. We told her that when someone needed her she was always there to help, she was kind to people, she made people feel loved and needed, she always made people feel welcome at her home, people always wanted to be around her, she was a loving caregiver, she indeed impacted peoples' lives in a profound way. One example is something that was said about Alice by one of her neighbors—she said

that she knew she was supposed to try to live her life patterned by the way Jesus had lived his, but that she would feel satisfied if she could just live her life the way Alice Helton had lived hers. Another testimony of how much she was valued by the community was when one of the preachers at her funeral said that he felt as if he was officiating the funeral of ''royalty.''

Alice was a special lady to many people, and those who knew her, and loved her, and respected her, will miss her dearly. Her family said that they were so thankful that she was able to do her interview for the London Living Treasures project before she passed. And during her final hours on this earth, it was so clear to them how strong her faith in God was. They said she wasn't scared; she knew where she was going. They said that witnessing that kind of faith was one of the greatest gifts she could have ever given them.

## VOTE EXPLANATION

Mr. UDALL of Colorado. Mr. President, from June 25 to June 29, 2012, I was unable to vote on Senate rollcall votes due to personal family reasons, as well as the devastating wildfires that were burning in many parts of Colorado. Had I been present I would have voted ''yea'' on vote Nos. 166, 167, 168, 169, 170, 171, and 172.

## LIFTING HOLD ON H.R. 3012

Mr. GRASSLEY. Mr. President, today I lift my hold on H.R. 3012, the Fairness for High-Skilled Immigrants Act. This bill would eliminate the per-country numerical limitations for employment based immigrants and change the per-country numerical limitations for family-based immigrants. When I placed a hold on the bill, I was concerned that the bill did nothing to better protect Americans at home who seek high-skilled jobs during this time of record unemployment. Today, I lift my hold because I have reached an agreement with the senior Senator from New York, the chairman of the Senate Judiciary Subcommittee on Immigration, Refugees and Border Security.

I have spent a lot of time and effort into rooting out fraud and abuse in our visa programs, specifically the H–1B visa program. I have always said this program can and should serve as a benefit to our country, our economy and our U.S. employers. However, it is clear that it is not working as intended, and the program is having a detrimental effect on American workers.

For many years, Senator DURBIN and I have worked on legislation to close the loopholes in the H–1B visa program. Our legislation would ensure that American workers are afforded the first chance to obtain the available high paying and high skilled jobs in the United States. It would make sure visa holders know their rights. It would strengthen the wage requirements, ridding the incentives for companies to hire cheap, foreign labor.

While I could not get everything that was included in the Durbin-Grassley visa reform bill, there is agreement to include in H.R. 3012 provisions that give greater authority to program overseers to investigate visa fraud and abuse. Specifically, there will be language authorizing the Department of Labor to better review labor condition applications and investigate fraud and misrepresentation by employers. There is also agreement to include a provision allowing the Federal Government to do annual compliance audits of employers who bring in foreign workers through the H–1B visa program.

I appreciate the willingness of other members to work with me to include measures that will help us combat visa fraud, and ultimately protect more American workers. I look forward to working with others as H.R. 3012 progresses in the Senate.

## TRIBUTE TO WENDY NELSON-KAUFFMAN

Mr. BLUMENTHAL. Mr. President, I am delighted to honor one of our Nation's most dedicated, talented, and influential teachers. Wendy Nelson-Kauffman, a humanities teacher at the Metropolitan Learning Center in Bloomfield, CT, was recently named as the 2012 Magnet Schools of America's National Teacher of the Year.

The Metropolitan Learning Center is part of the Capitol Region Education Council, which recognizes annually a teacher who ''exemplifies excellence in academic achievement through innovative programs that promote equity and diversity for students in Magnet Schools.'' This award spotlights the exceptional teachers and schools, especially our Nation's magnet schools, dedicated to equal opportunity. The Metropolitan Learning Center, open to students in 7th through 12th grades in the Greater Hartford Area, is one of Connecticut's finest centers for secondary education.

Since 1966, the Capitol Region Education Council has helped lead in reforming how we educate our Nation's children. Active in 36 areas of Connecticut, administering 120 programs in 20 facilities to more than 100,000 students annually, this network of dedicated administrators, educators, and education reformers has made tremendous impact, especially in underserved communities.

Ms. Nelson-Kauffman is renowned at the Metropolitan Learning Center. She has received many awards, including 2003 Connecticut Teacher of the Year, 2005 State History Teacher of the Year, and 2011 Capitol Region Education Council Teacher of the Year. But she is most respected for her generous energy and passion for changing the lives of our next generations. More telling than awards are the students who frequently share stories about the time Ms. Nelson-Kauffman dressed up as Rosie the Riveter or traveled with them to Africa and then formed the popular after-school group Student Abolitionists Stopping Slavery.

For almost 20 years as an educator at Hamden and Bloomfield High Schools and adult education centers, Ms. Nelson-Kauffman has used project-based learning with tremendous success. Her passion for journalism fosters an experiential, interactive teaching method. As Metropolitan Learning Center's social studies teacher and personal project coordinator for the prestigious International Baccalaureate Program, Ms. Nelson-Kauffman embraces a lifelong love of the past by placing it into the context of the present.

She shares her own genuine love of history with her classrooms. In 2003, invited to attend the Harriet Beecher Stowe Center Teacher Institute, she studied primary resources that unearthed stories of 19th-century women reformers. With this new background as inspiration, she introduced sensitive topics like abolitionism and racism to her high school students with tact and grace.

As an ambassador to educators around Connecticut, Ms. Nelson-Kauffman has demonstrated the effectiveness of multicultural teaching methods, to include travel, activities, group interactions, concerts, and dance. Her authenticity is rare and a real treasure. She is a stellar role model for anyone who mentors or teaches our future leaders. I hope my Senate colleagues will join me in congratulating Ms. Nelson-Kauffman, who has helped mitigate apathy and promote enthusiasm for the study of humanities.

## ADDITIONAL STATEMENTS

### TRIBUTE TO DR. BECKY PANEITZ

● Mr. BOOZMAN. Mr. President, today I wish to honor Dr. Becky Paneitz for her dedication, leadership and vision for providing a quality, affordable secondary education at NorthWest Arkansas Community College.

Having earned her bachelor's degree from the University of Arkansas at Monticello and her master's from the University of Arkansas at Little Rock, Dr. Paneitz understands the unique education challenges in Arkansas and faced that task head-on. As the President of NWACC for nearly a decade, she developed additional opportunities to reach students by establishing learning centers in the region. These efforts increased student enrollment exponentially. In less than 10 years the student population nearly doubled, making NWACC one of the largest and fastest growing community colleges in the country.

To accommodate this record growth, Dr. Paneitz launched an aggressive building expansion project on the NWACC campus including the Shewmaker Center for Global Business Development, the Center for Health Professions and the new Student Center.

Dr. Paneitz devoted her life to education and that took her across the

country from Pueblo Community College in Colorado to Hutchinson Community College in Kansas and Central Piedmont Community College in North Carolina. Along the way she found time to earn her doctorate in vocational education at Colorado State University.

Under Dr. Paneitz's guidance the community college established itself as an advocate of child welfare, partnering with the National Child Protection Training Center as a regional partner to provide training and technical assistance for child protection professionals. This is a great effort to better serve children in Arkansas and protect the wellbeing of children all across the country.

I congratulate Dr. Becky Paneitz for her outstanding contributions to education and for her achievements at NWACC. I wish her continued success in her future endeavors as she gets ready to move onto the next chapter in her life after she retires as the President of Northwest Arkansas Community College in June 2013. I am grateful for her years of service and leadership to Arkansas.●

## RECOGNIZING THE HEALTHY COMMUNITIES COALITION

● Mr. HELLER. Mr. President, I rise today to recognize the Healthy Communities Coalition of Lyon and Storey Counties, HCC, for its dedication to meeting Nevadans' healthcare needs. The HCC serves 8 of Nevada's rural areas by partnering with local agencies to provide health and wellness resources to the Silver State's most remote communities. I am proud to honor the HCC's commitment to serving the citizens of my home State.

Local residents created the HCC in 1995 to provide a safe environment for Nevada's youth by reducing poverty and substance abuse. Adapting to Nevada's evolving needs, the HCC expanded its resources to provide rural Nevadans of all ages with health and wellness resources they could otherwise not access. Promoting healthy communities in Nevada for over a decade, the HCC remains dedicated to addressing local needs to capitalize on local strengths.

Nevada has been one of the hardest-hit States in this difficult economic climate. Far too many Nevadans are out of work and continue facing great difficulties. I commend and appreciate organizations like the HCC, which offers assistance to struggling Nevadans who depend on their local resources. The HCC is empowering the communities of rural Nevada as we work to return America's economy back to a period of greater prosperity.

Today, I ask my colleagues to join me in recognizing the HCC for all it does for the Silver State. I wish the HCC staff continued success and thank them wholeheartedly for their efforts to encourage a healthy community for all Nevadans.●

## RECOGNIZING BROOKS TRAP MILL

● Ms. SNOWE. Mr. President, today I wish to recognize and commend the tremendous success of Brooks Trap Mill, a family-owned lobster trap manufacturer headquartered in Thomaston, ME. The lobster industry is iconic of my home State and the hard work, perseverance, and success of everyone at Brooks Trap Mill is emblematic of the strong tradition of entrepreneurship in Maine.

As former chair and current ranking member of the Senate Small Business Committee, I have had the tremendous privilege of hearing countless small business success stories from hard-working entrepreneurs across the country. Simply put, Brooks Trap Mill is one of these extraordinary stories. Since its inception in 1946, it has grown to become an indisputable leader in the fishing industry, while consistently creating quality jobs for Mainers. As a critical supplier to the commercial lobster industry, as well as other trap fisheries, Brooks Trap Mill offers Maine fishermen a vast selection of products to haul their catch. Their extensive inventory ranges from bait, buoys, foul-weather clothing, and rope to traps for lobster, oysters, sea bass, and shrimp.

Like so many small Maine businesses, Brooks Trap Mill is rooted firmly in family tradition. Founded by Michael Brooks over 60 years ago in a stock mill in Rockland, ME, Brooks Trap Mill has expanded considerably throughout the years but continues to be a family-owned and operated business. With three locations, the largest of which entails over 45,000 square feet of storage space, Brooks Trap Mill has accumulated one of the largest stocks of lobstering materials in the industry. Currently run by the third generation of the family, siblings Mark, Julie, and Stephen Brooks are fully involved in leading the business' success. Under their watch, the company manufactures, sells, and distributes nearly 50,000 new lobster traps annually.

Brooks Trap Mill is also dedicated to serving its community through support and participation in a variety of organizations and events including the Maine Lobstermen's Association; the Maine Lobster Festival in Rockland, Maine; and the Festival of Lights Lobster Trap Tree. Brooks Trap Mill has earned a reputation as a devoted and hard-working fixture of the lobster fishing industry, and its community service is admirable.

Through their remarkable growth, ingenuity, and dedication to its customers, the Brooks family has left an indelible mark on Maine maritime history. Brooks Trap Mill remains a tribute to the work begun 60 years ago by Michael Brooks. I thank the entire Brooks family for all of their efforts and wish them and everyone at Brooks Trap Mill success in their future endeavors.●

## MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Pate, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The messages received today are printed at the end of the Senate proceedings.)

## REPORT ON THE ISSUANCE OF AN EXECUTIVE ORDER MODIFYING THE SCOPE OF THE NATIONAL EMERGENCY DECLARED IN EXECUTIVE ORDER 13047 OF MAY 20, 1997, WITH RESPECT TO BURMA—PM 55

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs:

*To the Congress of the United States:*

Pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) (IEEPA), I hereby report that I have issued an Executive Order (the ''order'') that modifies the scope of the national emergency declared in Executive Order 13047 of May 20, 1997, as modified in scope in Executive Order 13448 of October 18, 2007, and relied upon for additional steps taken in Executive Order 13310 of July 28, 2003, Executive Order 13448 of October 18, 2007, and Executive Order 13464 of April 30, 2008, and takes additional steps with respect to that national emergency.

In Executive Order 13047, the President found that the Government of Burma committed large-scale repression of the democratic opposition in Burma after September 30, 1996, and further determined that the actions and policies of the Government of Burma constitute an unusual and extraordinary threat to the national security and foreign policy of the United States. To address that threat and to implement section 570 of the Foreign Operations, Export Financing, and Related Appropriations Act, 1997 (Public Law 104–208), the President in Executive Order 13047 prohibited new investment in Burma. On July 28, 2003, the President issued Executive Order 13310, which contained prohibitions implementing certain provisions of the Burmese Freedom and Democracy Act of 2003 (Public Law 108–61) and blocked the property and interests in property of persons listed in the Annex to Executive Order 13310 or determined by the Secretary of the Treasury, in consultation with the Secretary of State, to meet designation criteria specified in

Executive Order 13310. In Executive Order 13448, the President expanded the scope of the national emergency declared in Executive Order 13047, incorporated existing designation criteria set forth in Executive Order 13310, blocked the property and interests in property of persons listed in the Annex to Executive Order 13448, and provided additional criteria for designations of other persons. In Executive Order 13464, the President blocked the property and interests in property of persons listed in the Annex to Executive Order 13464 and provided additional criteria for designations of other persons.

While the Government of Burma has made progress towards political reform in a number of areas, including by releasing hundreds of political prisoners, pursuing ceasefire talks with several armed ethnic groups, and pursuing a substantive dialogue with the democratic opposition, this reform is fragile. I support this reform in Burma and the building of a democratic political process that will allow all of the people of Burma to be represented. However, I have found that the continued detention of political prisoners, efforts to undermine or obstruct the political reform process, efforts to undermine or obstruct the peace process with ethnic minorities, military trade with North Korea, and human rights abuses in Burma particularly in ethnic areas, effectuated by persons within and outside the Government of Burma, constitute an unusual and extraordinary threat to the national security and foreign policy of the United States. To address this situation, the order imposes additional measures with respect to Burma.

The order provides criteria for designations of persons determined by the Secretary of the Treasury, in consultation with or at the recommendation of the Secretary of State:

To have engaged in acts that directly or indirectly threaten the peace, security, or stability of Burma, such as actions that have the purpose or effect of undermining or obstructing the political reform process or the peace process with ethnic minorities in Burma;

To be responsible for or complicit in, or responsible for ordering, controlling, or otherwise directing, or to have participated in, the commission of human rights abuses in Burma;

To have, directly or indirectly, imported, exported, reexported, sold or supplied arms or related materiel from North Korea or the Government of North Korea to Burma or the Government of Burma;

To be a senior official of an entity that has engaged in the acts described above;

To have materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, the acts described above or any person whose property and interests in property are blocked pursuant to the order; or

To be owned or controlled by, or to have acted or purported to act for or on behalf of, directly or indirectly, any person whose property and interests in property are blocked pursuant to the order.

I have delegated to the Secretary of the Treasury the authority, in consultation with the Secretary of State, to take such actions, including the promulgation of rules and regulations, and to employ all powers granted to the President by IEEPA as may be necessary to carry out the purposes of the order.

All agencies of the United States Government are directed to take all appropriate measures within their authority to carry out the provisions of the order.

I am enclosing a copy of the Executive Order I have issued.

BARACK OBAMA.

THE WHITE HOUSE, *July 11, 2012*.

## MESSAGE FROM THE HOUSE

ENROLLED BILL SIGNED

At 4:13 p.m., a message from the House of Representatives, delivered by Mr. Novotny, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

S. 2061. An act to provide for an exchange of land between the Department of Homeland Security and the South Carolina State Ports Authority.

## MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

S. 3369. A bill to amend the Federal Election Campaign Act of 1971 to provide for additional disclosure requirements for corporations, labor organizations, Super PACs and other entities, and for other purposes.

## EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC–6785. A communication from the Administrator, Rural Housing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Single Family Housing Guaranteed Loan Program'' (RIN0575–AC90) received in the Office of the President of the Senate on June 28, 2012; to the Committee on Agriculture, Nutrition, and Forestry.

EC–6786. A communication from the Secretary of Defense, transmitting a report on the approved retirement of General Ann E. Dunwoody, United States Army, and her advancement to the grade of general on the retired list; to the Committee on Armed Services.

EC–6787. A communication from the Director of Defense Procurement and Acquisition Policy, Department of Defense, transmitting, pursuant to law, the report of a rule entitled ''Defense Federal Acquisition Regulation Supplement: Order of Application for Modifications'' ((RIN0750–AH56) (DFARS Case 2012–D002)) received during adjournment of the Senate in the Office of the President of the Senate on July 2, 2012; to the Committee on Armed Services.

EC–6788. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; Illinois; Regional Haze'' (FRL No. 9683–6) received during adjournment of the Senate in the Office of the President of the Senate on July 3, 2012; to the Committee on Environment and Public Works.

EC–6789. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; Maryland; Regional Haze State Implementation Plan'' (FRL No. 9695–4) received during adjournment of the Senate in the Office of the President of the Senate on July 3, 2012; to the Committee on Environment and Public Works.

EC–6790. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; Pennsylvania; Regional Haze State Implementation Plan'' (FRL No. 9695–5) received during adjournment of the Senate in the Office of the President of the Senate on July 3, 2012; to the Committee on Environment and Public Works.

EC–6791. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Synchronizing the Expiration Dates of the Pesticide Applicator Certificate with the Underlying State or Tribal Certificate'' (FRL No. 9334–4) received during adjournment of the Senate in the Office of the President of the Senate on July 3, 2012; to the Committee on Environment and Public Works.

EC–6792. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Effective Date for the Water Quality Standards for the State of Florida's Lakes and Flowing Waters'' (FRL No. 9691–3) received during adjournment of the Senate in the Office of the President of the Senate on July 3, 2012; to the Committee on Environment and Public Works.

EC–6793. A communication from the Assistant to the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the report of a rule entitled ''Supervised Securities Holding Company Registration'' (RIN7100–AD81 and FRB Docket No. R–1430) received during adjournment of the Senate in the Office of the President of the Senate on July 3, 2012; to the Committee on Banking, Housing, and Urban Affairs.

EC–6794. A communication from the Acting Director of Legislative Affairs, Legal Office, Federal Deposit Insurance Corporation, transmitting, pursuant to law, the report of a rule entitled ''Calculation of Maximum Obligation Limitation'' (RIN3064–AD84) received during adjournment of the Senate in the Office of the President of the Senate on July 5, 2012; to the Committee on Banking, Housing, and Urban Affairs.

EC–6795. A communication from the Assistant Secretary for Export Administration, Bureau of Industry and Security, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Existing Validated End-User Authorizations: Hynix Semiconductor China Ltd., Hynix Semiconductor (Wuxi) Ltd., and Boeing Tianjin Composites Co. Ltd. in the People's Republic of China'' (RIN0694–AF71)

received in the Office of the President of the Senate on July 9, 2012; to the Committee on Banking, Housing, and Urban Affairs.

EC–6796. A communication from the Secretary, Division of Trading and Markets, Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule entitled ''Process for Submissions for Review of Security-Based Swaps for Mandatory Clearing and Notice Filing Requirements for Clearing Agencies; Technical Amendments to Rule 19b–4 and Form 19b–4 Applicable to All Self-Regulatory Organizations'' (RIN3235–AK87) received during adjournment of the Senate in the Office of the President of the Senate on July 2, 2012; to the Committee on Banking, Housing, and Urban Affairs.

EC–6797. A communication from the Under Secretary of the Treasury, transmitting, pursuant to law, a six-month periodic report on the national emergency that was declared in Executive Order 13441 with respect to Lebanon; to the Committee on Banking, Housing, and Urban Affairs.

EC–6798. A communication from the Senior Vice President and Chief Financial Officer, Federal Home Loan Bank of San Francisco, transmitting, pursuant to law, the Bank's 2011 Management Report; to the Committee on Banking, Housing, and Urban Affairs.

EC–6799. A communication from the President and Chief Executive Officer, Federal Home Loan Bank of Cincinnati, transmitting, pursuant to law, Bank's 2011 Management Report and statement on system of internal controls; to the Committee on Banking, Housing, and Urban Affairs.

EC–6800. A communication from the President and Chief Executive Officer, Federal Home Loan Bank of Pittsburgh, transmitting, pursuant to law, the Bank's 2011 Statement on System of Internal Controls, audited financial statements, and Report of Independent Registered Public Accounting Firm on Internal Controls over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards; to the Committee on Banking, Housing, and Urban Affairs.

EC–6801. A communication from the Accounting Manager, Accounting Policy and External Reporting, Federal Home Loan Bank of Des Moines, transmitting, pursuant to law, the Bank's 2011 management report; to the Committee on Banking, Housing, and Urban Affairs.

EC–6802. A communication from the President and Chief Executive Officer, Federal Home Loan Bank of Topeka, transmitting, pursuant to law, the Bank's management reports and statements on system of internal controls for fiscal year 2011; to the Committee on Banking, Housing, and Urban Affairs.

EC–6803. A communication from the Assistant Secretary for Export Administration, Bureau of Industry and Security, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Implementation of the Understandings Reached at the 2011 Australia Group (AG) Plenary Meeting and Other AG-Related Clarifications to the EAR'' (RIN0694–AF45) received in the Office of the President of the Senate on June 28, 2012; to the Committee on Banking, Housing, and Urban Affairs.

EC–6804. A communication from the Director, Office of Surface Mining, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Wyoming Regulatory Program'' (Docket No. WY–042–FOR) received during adjournment of the Senate in the Office of the President of the Senate on July 6, 2012; to the Committee on Energy and Natural Resources.

EC–6805. A communication from the Acting Assistant Secretary, National Park Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Vehicles and Traffic Safety—Bicycles'' (RIN1024–AD97) received in the Office of the President of the Senate on June 29, 2012; to the Committee on Energy and Natural Resources.

EC–6806. A communication from the General Counsel, Federal Energy Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled ''Integration of Variable Energy Resources'' (RIN1902–AE16) received during adjournment of the Senate in the Office of the President of the Senate on July 5, 2012; to the Committee on Energy and Natural Resources.

EC–6807. A communication from the Secretary of Energy, transmitting, pursuant to law, a report entitled ''Report to Congress on the Voluntary Commitments to Reduce Industrial Energy Intensity''; to the Committee on Energy and Natural Resources.

EC–6808. A communication from the Secretary of the Interior, transmitting, the report of proposed legislation entitled ''National Park Service Study Act of 2012''; to the Committee on Energy and Natural Resources.

EC–6809. A communication from the Secretary of the Interior, transmitting, pursuant to law, a report entitled ''Proposed Final Outer Continental Shelf (OCS) Oil and Gas Leasing Program 2012–2017''; to the Committee on Energy and Natural Resources.

EC–6810. A communication from the Director, Office of Surface Mining, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Indiana Regulatory Program'' (Docket No. IN–160–FOR) received during adjournment of the Senate in the Office of the President of the Senate on July 6, 2012; to the Committee on Energy and Natural Resources.

EC–6811. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Qualified Energy Conservation Bonds'' (Notice 2012–44) received in the Office of the President of the Senate on June 29, 2012; to the Committee on Finance.

EC–6812. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Section 16(m)(4)(C)—Dividends and Dividend Equivalents on Restricted Stock and Restricted Stock Units'' (Rev. Rul. 2012–19) received in the Office of the President of the Senate on June 29, 2012; to the Committee on Finance.

EC–6813. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Section 3121—Tips Included for Both Employee and Employer Taxes'' (Rev. Proc. 2012–18) received in the Office of the President of the Senate on June 29, 2012; to the Committee on Finance.

EC–6814. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Applicable Federal Rates—July 2012'' (Rev. Rul. 2012–20) received in the Office of the President of the Senate on June 29, 2012; to the Committee on Finance.

EC–6815. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Interim Guidance on Rev. Rul. 2012–18, Sec. 3121—Tips Included for Both Employee and Employer Taxes'' (Announcement 2012–25) received in the Office of the President of the Senate on June 29, 2012; to the Committee on Finance.

EC–6816. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Portability of a Deceased Spousal Unused Exclusion Amount'' ((RIN1545–BK34) (TD 9593)) received in the Office of the President of the Senate on June 29, 2012; to the Committee on Finance.

EC–6817. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Applicable Federal Rates—February 2012'' (Rev. Rul. 2012–7) received during adjournment of the Senate in the Office of the President of the Senate on July 3, 2012; to the Committee on Finance.

EC–6818. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Treatment of Income from Certain Government Bonds for Purposes of the PFIC Rules'' (Rev. Rul. 2012–45) received during adjournment of the Senate in the Office of the President of the Senate on July 3, 2012; to the Committee on Finance.

EC–6819. A communication from the Inspector General of the Department of Health and Human Services, transmitting, pursuant to law, a report entitled ''Part D Plans Generally Include Drugs Commonly Used by Dual Eligibles: 2012 (OEI–05–12–00060)''; to the Committee on Finance.

EC–6820. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report entitled ''Child Welfare Outcomes 2007–2010: Report to Congress''; to the Committee on Finance.

EC–6821. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, certification of proposed issuance of an export license pursuant to section 36(d) of the Arms Export Control Act (Transmittal No. DDTC 12–020); to the Committee on Foreign Relations.

EC–6822. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to amendment to part 126 of the International Traffic in Arms Regulations (ITAR); to the Committee on Foreign Relations.

EC–6823. A communication from the Under Secretary for Industry and Security, Department of Commerce, transmitting, pursuant to law, a Foreign Policy Report on the removal of United Nations arms embargo provisions against Rwanda; to the Committee on Foreign Relations.

EC–6824. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to the Case-Zablocki Act, 1 U.S.C. 112b, as amended, the report of the texts and background statements of international agreements, other than treaties (List 2012–0069—2012–0084); to the Committee on Foreign Relations.

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. UDALL of New Mexico:

S. 3370. A bill to authorize the Administrator of General Services to convey a parcel of real property in Albuquerque, New Mexico, to the Amy Biehl High School Foundation; to the Committee on Environment and Public Works.

By Mr. BEGICH (for himself and Ms. SNOWE):

S. 3371. A bill to establish, within the National Oceanic and Atmospheric Administration, an integrated and comprehensive ocean, coastal, Great Lakes, and atmospheric research, prediction, and environmental information program to support renewable energy, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. WEBB (for himself and Mr. CONRAD):

S. 3372. A bill to amend section 704 of title 18, United States Code; to the Committee on the Judiciary.

By Ms. MURKOWSKI:

S. 3373. A bill to require the Attorney General to issue a report on the Alaska Rural Justice and Law Enforcement Commission; to the Committee on the Judiciary.

By Mr. NELSON of Nebraska:

S. 3374. A bill to amend the Public Rangelands Improvement Act of 1978 to establish criteria for the rate of fees charged for grazing private livestock on public rangelands; to the Committee on Energy and Natural Resources.

By Mrs. BOXER:

S. 3375. A bill to designate the Berryessa Snow Mountain National Conservation Area in the State of California, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. CASEY (for himself and Ms. MURKOWSKI):

S. 3376. A bill to amend the Federal Food, Drug, and Cosmetic Act to prevent the abuse of dextromethorphan, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. WARNER (for himself, Ms. MIKULSKI, Mr. BLUNT, Mr. BURR, Mrs. FEINSTEIN, Mr. CHAMBLISS, Mr. UDALL of Colorado, Mr. RISCH, and Ms. SNOWE):

S.J. Res. 47. A joint resolution amending title 36, United States Code, to designate July 26 as United States Intelligence Professionals Day; to the Committee on the Judiciary.

## ADDITIONAL COSPONSORS

S. 362

At the request of Mr. WHITEHOUSE, the name of the Senator from Florida (Mr. RUBIO) was added as a cosponsor of S. 362, a bill to amend the Public Health Service Act to provide for a Pancreatic Cancer Initiative, and for other purposes.

S. 412

At the request of Mr. LEVIN, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 412, a bill to ensure that amounts credited to the Harbor Maintenance Trust Fund are used for harbor maintenance.

S. 697

At the request of Mr. CASEY, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of S. 697, a bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for amounts paid by a spouse of a member of the Armed Services for a new State license or certification required by reason of a permanent change in the duty station of such member to another State.

S. 960

At the request of Mr. KERRY, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 960, a bill to provide for a study on issues relating to access to intravenous immune globulin (IVG) for Medicare beneficiaries in all care settings and a demonstration project to examine the benefits of providing coverage and payment for items and services necessary to administer IVG in the home.

S. 1616

At the request of Mr. MENENDEZ, the name of the Senator from New Hampshire (Mrs. SHAHEEN) was added as a cosponsor of S. 1616, a bill to amend the Internal Revenue Code of 1986 to exempt certain stock of real estate investment trusts from the tax on foreign investments in United States real property interests, and for other purposes.

S. 1929

At the request of Mr. BLUMENTHAL, the names of the Senator from Nebraska (Mr. NELSON), the Senator from Maine (Ms. SNOWE), the Senator from Illinois (Mr. KIRK) and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of S. 1929, a bill to require the Secretary of the Treasury to mint coins in commemoration of Mark Twain.

S. 2078

At the request of Mr. MENENDEZ, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S. 2078, a bill to enable Federal and State chartered banks and thrifts to meet the credit needs of the Nation's home builders, and to provide liquidity and ensure stable credit for meeting the Nation's need for new homes.

S. 2173

At the request of Mr. DEMINT, the name of the Senator from Alabama (Mr. SHELBY) was added as a cosponsor of S. 2173, a bill to preserve and protect the free choice of individual employees to form, join, or assist labor organizations, or to refrain from such activities.

S. 2239

At the request of Mr. NELSON of Florida, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of S. 2239, a bill to direct the head of each agency to treat relevant military training as sufficient to satisfy training or certification requirements for Federal licenses.

S. 2342

At the request of Mr. TESTER, the name of the Senator from Georgia (Mr. ISAKSON) was added as a cosponsor of S. 2342, a bill to reform the National Association of Registered Agents and Brokers, and for other purposes.

S. 2472

At the request of Mr. CASEY, the name of the Senator from Florida (Mr. RUBIO) was added as a cosponsor of S. 2472, a bill to provide for the issuance and sale of a semipostal by the United States Postal Service for research and demonstration projects relating to autism spectrum disorders.

S. 3204

At the request of Mr. JOHANNS, the names of the Senator from Tennessee (Mr. ALEXANDER), the Senator from Oklahoma (Mr. INHOFE) and the Senator from North Carolina (Mr. BURR) were added as cosponsors of S. 3204, a bill to address fee disclosure requirements under the Electronic Fund Transfer Act, and for other purposes.

S. 3239

At the request of Mrs. FEINSTEIN, the names of the Senator from New Jersey (Mr. LAUTENBERG) and the Senator from New York (Mr. SCHUMER) were added as cosponsors of S. 3239, a bill to provide for a uniform national standard for the housing and treatment of egg-laying hens, and for other purposes.

S. 3291

At the request of Ms. KLOBUCHAR, her name was added as a cosponsor of S. 3291, a bill to prohibit unauthorized third-party charges on wireline telephone bills, and for other purposes.

S. 3333

At the request of Mr. TOOMEY, the name of the Senator from Florida (Mr. RUBIO) was added as a cosponsor of S. 3333, a bill to require certain entities that collect and maintain personal information of individuals to secure such information and to provide notice to such individuals in the case of a breach of security involving such information, and for other purposes.

S. 3364

At the request of Ms. STABENOW, the names of the Senator from Minnesota (Mr. FRANKEN), the Senator from Connecticut (Mr. BLUMENTHAL) and the Senator from West Virginia (Mr. ROCKEFELLER) were added as cosponsors of S. 3364, a bill to provide an incentive for businesses to bring jobs back to America.

S. 3369

At the request of Mr. WHITEHOUSE, the names of the Senator from Vermont (Mr. LEAHY), the Senator from New Mexico (Mr. BINGAMAN), the Senator from Louisiana (Ms. LANDRIEU), the Senator from Maryland (Ms. MIKULSKI), the Senator from New Jersey (Mr. MENENDEZ), the Senator from North Carolina (Mrs. HAGAN), the Senator from Colorado (Mr. UDALL), the Senator from Michigan (Ms. STABENOW), the Senator from Michigan (Mr. LEVIN), the Senator from Iowa (Mr. HARKIN), the Senator from Delaware (Mr. COONS), the Senator from Wisconsin (Mr. KOHL), the Senator from North Dakota (Mr. CONRAD), the Senator from Hawaii (Mr. INOUYE), the Senator from Vermont (Mr. SANDERS), the Senator from Rhode Island (Mr. REED), the Senator from Missouri (Mrs. MCCASKILL), the Senator from Connecticut (Mr. BLUMENTHAL) and the Senator from New York (Mrs. GILLIBRAND) were added as cosponsors of S. 3369, a bill to amend the Federal Election Campaign Act of 1971 to provide for additional disclosure requirements for corporations, labor organizations,

Super PACs and other entities, and for other purposes.

S.J. RES. 39

At the request of Mr. CARDIN, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S.J. Res. 39, a joint resolution removing the deadline for the ratification of the equal rights amendment.

S.J. RES. 43

At the request of Mr. MCCONNELL, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S.J. Res. 43, a joint resolution approving the renewal of import restrictions contained in the Burmese Freedom and Democracy Act of 2003, and for other purposes.

S. CON. RES. 48

At the request of Mr. THUNE, his name was added as a cosponsor of S. Con. Res. 48, a concurrent resolution recognizing 375 years of service of the National Guard and affirming congressional support for a permanent Operational Reserve as a component of the Armed Forces.

At the request of Mr. LEAHY, the name of the Senator from Massachusetts (Mr. BROWN) was added as a cosponsor of S. Con. Res. 48, supra.

S. RES. 487

At the request of Mr. BEGICH, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. Res. 487, a resolution expressing the sense of the Senate that the ambush marketing adversely affects Team USA and the Olympic and Paralympic Movements and should not be condoned.

AMENDMENT NO. 2493

At the request of Mrs. HUTCHISON, the names of the Senator from South Dakota (Mr. THUNE) and the Senator from Wyoming (Mr. ENZI) were added as cosponsors of amendment No. 2493 intended to be proposed to S. 2237, a bill to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes.

AMENDMENT NO. 2496

At the request of Mr. DURBIN, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of amendment No. 2496 intended to be proposed to S. 2237, a bill to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes.

At the request of Mr. ENZI, the names of the Senator from Hawaii (Mr. AKAKA), the Senator from Minnesota (Ms. KLOBUCHAR) and the Senator from Minnesota (Mr. FRANKEN) were added as cosponsors of amendment No. 2496 intended to be proposed to S. 2237, supra.

AMENDMENT NO. 2506

At the request of Mr. MCCONNELL, the names of the Senator from Utah (Mr. HATCH), the Senator from Arizona (Mr. KYL), the Senator from Florida (Mr. RUBIO), the Senator from Kansas (Mr. ROBERTS), the Senator from Texas (Mrs. HUTCHISON), the Senator from Louisiana (Mr. VITTER), the Senator from Nebraska (Mr. JOHANNS), the Senator from Texas (Mr. CORNYN), the Senator from Missouri (Mr. BLUNT), the Senator from North Carolina (Mr. BURR), the Senator from Oklahoma (Mr. INHOFE), the Senator from Wyoming (Mr. BARRASSO), the Senator from Utah (Mr. LEE), the Senator from Mississippi (Mr. WICKER), the Senator from Ohio (Mr. PORTMAN), the Senator from Wisconsin (Mr. JOHNSON), the Senator from Georgia (Mr. ISAKSON), the Senator from Mississippi (Mr. COCHRAN), the Senator from Iowa (Mr. GRASSLEY), the Senator from Indiana (Mr. COATS), the Senator from Oklahoma (Mr. COBURN) and the Senator from Alabama (Mr. SESSIONS) were added as cosponsors of amendment No. 2506 intended to be proposed to S. 2237, a bill to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WEBB (for himself and Mr. CONRAD):

S. 3372. A bill to amend section 704 of title 18, United States Code; to the Committee on the Judiciary.

Mr. WEBB. Mr. President, I am introducing this bill today in response to a recent Supreme Court holding that invalidated the provisions of what has become known as the Stolen Valor Act of 2006. The Supreme Court decision regarded a place in the Stolen Valor Act that made all false statements about the receipt of military decorations a crime. It states that this act, in the view of the Court:

> . . . seeks to control and suppress all false statements on this one subject in almost limitless times and settings without regard to whether the lie was made for the purpose of material gain.

Basically what the Supreme Court was saying is that we cannot freeze all first amendment rights to make claims about anything in this society unless there was a purpose at the end of it in terms of some sort of a material gain.

I understand and fully accept the Court's holding in this case about the overly broad measures of the Stolen Valor Act of 2006. The legislation I am introducing today is designed to remedy this issue and to bring criminal penalties to those who falsely claim military service or the receipt of unearned awards, medals, and ribbons if these statements were made in pursuit of a tangible benefit or a personal gain.

This legislation is drafted under the guidance of the holding of the Supreme Court in this case. I am a strong believer in the first amendment. I believe it is sacrosanct in our society. I believe the freedom to speak one's mind and to dissent when one opposes a proposal or an issue or a government policy is the very foundation of a truly free society.

At the same time, the very special reverence with the first amendment should be measured against the equally special place our society holds for military service. There are strongly emotional reasons that this is so and there are clearly other tangible benefits that derive from military service.

I would point out something that for many of us seems obvious, but I think it needs to be restated as we consider the Supreme Court decision on the Stolen Valor Act and what the implications are for the legislation I am introducing. The experience of military service, particularly hard combat, is a unique phenomenon in our society. There was a saying when I was in the Marine Corps many years ago that ''For those who have fought for it, freedom has a flavor that the protected shall never know.'' Once someone has been in hard combat, they will never see life around them in the same way again. That doesn't mean they will be worse or particularly better or damaged or in some way empowered, but for the rest of their lives they will truly see a lot of things differently. They will have seen horrible events that strain their emotions, yet increase their ability to understand tragedy and to value human courage in many different stripes and forms. They will have learned to appreciate the inherent contradictions between the pristine intellectual debates about war and the reality of a blood-soaked battlefield where decisions must be made in an instant while human lives hang precariously in the balance.

These lives comprise the burden and the value of military service. Neither the scars nor the lessons disappear when one leaves the battlefield or when one leaves the military. The men and women who step forward to serve carry this burden and share these values for the rest of their lives. Our veterans have given a portion of themselves to our country, and our country has always been good at reciprocating. Our veterans love America and America loves our veterans.

It is important to understand the impact that military service can have on one's life in order to comprehend what a disservice it is for others to pretend to have served. There is an old country song that says ''You've got to suffer if you want to sing the blues.'' Those who have not served, have not paid the price that comes with earning that respect. In many cases they are indeed attempting to gain tangible benefits that have been designed to reward and honor military service when they pretend to have served.

Here are a few of those benefits that are in the legislation I am outlining: benefits relating to the military service provided by the Federal Government or a State or local government; the ability to gain employment or professional advancement; financial remuneration, for instance, receiving money for books or writings related to the notion of having served; seeking an effect

on the outcome of criminal or civil court proceedings; and seeking to impact one's personal credibility in a political campaign. There are others, but those are clearly tangible benefits that come from stating that one served in the military when one did not.

The journey of this Stolen Valor legislation begins with one individual whom I have known for a very long time. His name is Jug Burkett. He was a Vietnam veteran, like myself. He grew up in the military. His father had a career in the military. He identified this problem many years ago and looked at the impact of those who had claimed to have served or who had claimed to have served in areas where they did not on all the areas I just mentioned.

He wrote a book many years called ''Stolen Valor.'' He had quite a journey with this book and has pursued the issue of honesty and integrity in our legal process and in other ways. It was largely because of Jug Burkett's effort that the Stolen Valor Act was passed in 2006.

I do not believe the Supreme Court decision in any way invalidates the concerns Jug Burkett and others have had. In fact, I think what we are doing with this legislation is to make sure proper concerns are laid out without being overly broad so that any words said in a bar room or someone sitting around personally is not going to have legal authorities measuring every single word anyone says.

We have designed this very specifically with respect to the concerns the Supreme Court laid out. I may be offering this bill as an amendment to the National Defense Authorization Act. My hope is this amended language could gain the support of all of our colleagues and that we could move this bill quickly, perhaps as an independent bill.

This bill respects the first amendment. It respects military service, and it assures a special place in our society that has always been reserved for those who have stepped forward and gone into harm's way on our behalf.

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By Mrs. BOXER:

S. 3375. A bill to designate the Berryessa Snow Mountain National Conservation Area in the State of California, and for other purposes; to the Committee on Energy and Natural Resources.

Mrs. BOXER. Mr. President, I am pleased to introduce the Berryessa Snow Mountain National Conservation Area Act. Congressman MIKE THOMPSON recently introduced companion legislation to this bill in the House of Representatives, and I thank him for all of the work he has done on advancing this initiative.

This important legislation designates 319,000 acres of public lands in Lake, Mendocino, Napa, and Yolo Counties as the Berryessa Snow Mountain National Conservation Area, or NCA. The area is a haven for hiking, camping, rafting, and horseback riding, and is home to a diverse array of wildlife including black bears and bald eagles.

My bill does not add any new lands to the Federal Government—the lands included in this NCA are already managed by the Bureau of Land Management, the Bureau of Reclamation, and the U.S. Forest Service. A National Conservation Area designation will require these three agencies to develop a multi-agency management plan in consultation with stakeholders and the public, improving coordination on wildlife preservation, habitat restoration, and recreational opportunities. Creation of the NCA will also help the agencies take a more coordinated approach to preventing and fighting wildfires, combating invasive species and water pollution, and stopping the spread of illegal marijuana growth.

By unifying these individual places under one banner, my bill helps put the Berryessa Snow Mountain region on the map as a destination for new visitors. This region is one of the most biologically diverse, yet least known regions of California. By raising its profile, an NCA designation will boost tourism and increase business opportunities in the region's gateway communities. The Outdoor Industry Association has estimated that outdoor recreation supports 408,000 jobs and contributes $46 billion annually to California's economy, underscoring the immense potential of sites such as the proposed Berryessa Snow Mountain NCA to drive local economic growth. Additionally, the region will become recognized by more people as uniform signage and publications are created to reach more diverse audiences, allowing them to learn more about this beautiful area.

Finally, this designation enables more people to share in the management of these wonderful resources through the creation of a public advisory committee. Local citizens, outdoor enthusiasts, business owners, and other stakeholders will be granted an official avenue to provide input on how to best care for these beautiful rivers, ridges, forests, canyons, and creeks, along with their diverse plant and wildlife species.

Creation of this proposed National Conservation Area has strong support from a large coalition of local governments, elected officials, business owners, landowners, farmers, private individuals, and many conservation and recreation groups. This bill is the culmination of a grassroots effort of concerned citizens taking the initiative to care for the beautiful areas in their communities, and I am proud to support their work and commitment. I particularly applaud Tuleyome, a local nonprofit active in protecting wilderness and agriculture in the western Sacramento Valley and Inner Coast Range, for their leadership on this effort.

I look forward to working with my colleagues to pass this important legislation. The Berryessa Snow Mountain region deserves national status and recognition, and I urge my colleagues to join me in supporting this effort.

## AMENDMENTS SUBMITTED AND PROPOSED

SA 2508. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table.

SA 2509. Mr. HATCH (for himself, Mr. BROWN of Massachusetts, Mr. TOOMEY, Mr. RISCH, Mr. PORTMAN, Mr. ROBERTS, Mr. ISAKSON, Mr. JOHANNS, Mr. COATS, Mr. KIRK, Ms. COLLINS, Mrs. HUTCHISON, Mr. KYL, Mr. BARRASSO, Mr. MCCAIN, Mr. COBURN, Mr. BURR, Ms. AYOTTE, Mr. RUBIO, Mr. LUGAR, Mr. CRAPO, Mr. CORNYN, Mr. INHOFE, Mr. ALEXANDER, Mr. HELLER, Mr. BOOZMAN, Mr. GRAHAM, Mr. HOEVEN, Mr. THUNE, and Mr. WICKER) submitted an amendment intended to be proposed by him to the bill S. 2237, supra; which was ordered to lie on the table.

SA 2510. Mr. HATCH (for himself, Mr. JOHANNS, Mr. RISCH, Mr. PORTMAN, Mr. ROBERTS, Mr. ISAKSON, Mr. COATS, Mr. KIRK, Ms. COLLINS, Mrs. HUTCHISON, Mr. KYL, Mr. BARRASSO, Mr. MCCAIN, Mr. COBURN, Mr. BURR, Mr. COCHRAN, Mr. RUBIO, Mr. CRAPO, Mr. CORNYN, Mr. INHOFE, Mr. ALEXANDER, Mr. HELLER, Mr. BOOZMAN, Mr. GRAHAM, Mr. HOEVEN, Mr. THUNE, and Mr. WICKER) submitted an amendment intended to be proposed by him to the bill S. 2237, supra; which was ordered to lie on the table.

SA 2511. Mr. BARRASSO submitted an amendment intended to be proposed by him to the bill S. 2237, supra; which was ordered to lie on the table.

SA 2512. Mr. BROWN of Ohio submitted an amendment intended to be proposed by him to the bill S. 2237, supra; which was ordered to lie on the table.

SA 2513. Mr. BROWN of Ohio (for himself and Mr. CASEY) submitted an amendment intended to be proposed by him to the bill S. 2237, supra; which was ordered to lie on the table.

SA 2514. Mr. THUNE (for himself, Mr. ROBERTS, Mr. BLUNT, and Mr. KYL) submitted an amendment intended to be proposed by him to the bill S. 2237, supra; which was ordered to lie on the table.

SA 2515. Mr. BENNET (for himself, Mr. MORAN, Mr. UDALL of Colorado, and Mr. TESTER) submitted an amendment intended to be proposed by him to the bill S. 2237, supra; which was ordered to lie on the table.

SA 2516. Mr. FRANKEN (for himself and Mr. ENZI) submitted an amendment intended to be proposed by him to the bill S. 2237, supra; which was ordered to lie on the table.

SA 2517. Mr. BEGICH submitted an amendment intended to be proposed by him to the bill S. 2237, supra; which was ordered to lie on the table.

SA 2518. Mr. THUNE (for himself, Mr. RUBIO, Mr. GRAHAM, and Mr. BOOZMAN) submitted an amendment intended to be proposed by him to the bill S. 2237, supra; which was ordered to lie on the table.

SA 2519. Mr. WHITEHOUSE (for himself and Mr. GRASSLEY) submitted an amendment intended to be proposed by him to the bill S. 2237, supra; which was ordered to lie on the table.

SA 2520. Mr. BENNET (for himself, Mr. MORAN, Mr. UDALL of Colorado, and Mr. TESTER) submitted an amendment intended to be proposed by him to the bill S. 2237, supra; which was ordered to lie on the table.

SA 2521. Mr. REID (for Ms. LANDRIEU) proposed an amendment to the bill S. 2237, supra.

SA 2522. Mr. REID proposed an amendment to amendment SA 2521 proposed by Mr. REID (for Ms. LANDRIEU) to the bill S. 2237, supra.

SA 2523. Mr. REID proposed an amendment to amendment SA 2522 proposed by Mr. REID to the amendment SA 2521 proposed by Mr. REID (for Ms. LANDRIEU) to the bill S. 2237, supra.

SA 2524. Mr. REID proposed an amendment to the bill S. 2237, supra.

SA 2525. Mr. REID proposed an amendment to amendment SA 2524 proposed by Mr. REID to the bill S. 2237, supra.

SA 2526. Mr. REID proposed an amendment to the bill S. 2237, supra.

SA 2527. Mr. REID proposed an amendment to amendment SA 2526 proposed by Mr. REID to the bill S. 2237, supra.

SA 2528. Mr. REID proposed an amendment to amendment SA 2527 proposed by Mr. REID to the amendment SA 2526 proposed by Mr. REID to the bill S. 2237, supra.

SA 2529. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 2237, supra; which was ordered to lie on the table.

SA 2530. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 2237, supra; which was ordered to lie on the table.

SA 2531. Mr. ROBERTS submitted an amendment intended to be proposed by him to the bill S. 2237, supra; which was ordered to lie on the table.

## TEXT OF AMENDMENTS

**SA 2508.** Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. ___. POINT OF ORDER ON LEGISLATION THAT RAISES INCOME TAX RATES ON SMALL BUSINESSES.**

(a) POINT OF ORDER.—

(1) IN GENERAL.—In the Senate, it shall not be in order to consider any bill, joint resolution, amendment, motion, or conference report that includes any provision which increases Federal income tax rates.

(2) DEFINITION.—In this section, the term ''Federal income tax rates'' means any rate of tax under—

(A) subsection (a), (b), (c), (d), or (e) of section 1 of the Internal Revenue Code of 1986,

(B) section 11(b) of such Code, or

(C) section 55(b) of such Code.

(b) SUPERMAJORITY WAIVER AND APPEALS.—

(1) WAIVER.—This section may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, dully chosen and sworn.

(2) APPEALS.—An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

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**SA 2509.** Mr. HATCH (for himself, Mr. BROWN of Massachusetts, Mr. TOOMEY, Mr. RISCH, Mr. PORTMAN, Mr. ROBERTS, Mr. ISAKSON, Mr. JOHANNS, Mr. COATS, Mr. KIRK, Ms. COLLINS, Mrs. HUTCHINSON, Mr. KYL, Mr. BARRASSO, Mr. MCCAIN, Mr. COBURN, Mr. BURR, Ms. AYOTTE, Mr. RUBIO, Mr. LUGAR, Mr. CRAPO, Mr. CORNYN, Mr. INHOFE, Mr. ALEXANDER, Mr. HELLER, Mr. BOOZMAN, Mr. GRAHAM, Mr. HOEVEN, Mr. THUNE, and Mr. WICKER) submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

Strike all after the first word and insert the following:

**1. REPEAL OF MEDICAL DEVICE EXCISE TAX.**

(a) IN GENERAL.—Chapter 32 of the Internal Revenue Code of 1986 is amended by striking subchapter E.

(b) CONFORMING AMENDMENTS.—

(1) Subsection (a) of section 4221 of such Code is amended by striking the last sentence.

(2) Paragraph (2) of section 6416(b) of such Code is amended by striking the last sentence.

(c) CLERICAL AMENDMENT.—The table of subchapters for chapter 32 of such Code is amended by striking the item relating to subchapter E.

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**SA 2510.** Mr. HATCH (for himself, Mr. JOHANNS, Mr. RISCH, Mr. PORTMAN, Mr. ROBERTS, Mr. ISAKSON, Mr. COATS, Mr. KIRK, Ms. COLLINS, Mrs. HUTCHISON, Mr. KYL, Mr. BARRASSO, Mr. MCCAIN, Mr. COBURN, Mr. BURR, Mr. COCHRAN, Mr. RUBIO, Mr. CRAPO, Mr. CORNYN, Mr. INHOFE, Mr. ALEXANDER, Mr. HELLER, Mr. BOOZMAN, Mr. GRAHAM, Mr. HOEVEN, Mr. THUNE, and Mr. WICKER) submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

Strike all after the first word and insert the following:

**1. REPEAL OF TAX ON INDIVIDUALS WHO FAIL TO MAINTAIN MINIMUM ESSENTIAL COVERAGE.**

Section 5000A of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(h) TERMINATION.—This section shall not apply with respect to any month beginning after the date of the enactment of this subsection.''.

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**SA 2511.** Mr. BARRASSO submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**TITLE II—GRAZING IMPROVEMENT ACT OF 2012**

**SEC. 201. SHORT TITLE.**

This title may be cited as the ''Grazing Improvement Act of 2012''.

**SEC. 202. TERMS OF GRAZING PERMITS AND LEASES.**

Section 402 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1752) is amended—

(1) by striking ''ten years'' each place it appears and inserting ''20 years''; and

(2) in subsection (b)—

(A) by striking ''or'' at the end of each of paragraphs (1) and (2);

(B) in paragraph (3), by striking the period at the end and inserting ''; or''; and

(C) by adding at the end the following:

''(4) the initial environmental analysis under National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) regarding a grazing allotment, permit, or lease has not been completed.''.

**SEC. 203. RENEWAL, TRANSFER, AND REISSUANCE OF GRAZING PERMITS AND LEASES.**

Title IV of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1751 et seq.) is amended by adding at the end the following:

**''SEC. 405. RENEWAL, TRANSFER, AND REISSUANCE OF GRAZING PERMITS AND LEASES.**

''(a) DEFINITIONS.—In this section:

''(1) CURRENT GRAZING MANAGEMENT.—The term 'current grazing management' means grazing in accordance with the terms and conditions of an existing permit or lease and includes any modifications that are consistent with an applicable Department of Interior resource management plan or Department of Agriculture land use plan.

''(2) SECRETARY CONCERNED.—The term 'Secretary concerned' means—

''(A) the Secretary of Agriculture, with respect to National Forest System land; and

''(B) the Secretary of the Interior, with respect to land under the jurisdiction of the Department of the Interior.

''(b) RENEWAL, TRANSFER, REISSUANCE, AND PENDING PROCESSING.—A grazing permit or lease issued by the Secretary of the Interior, or a grazing permit issued by the Secretary of Agriculture regarding National Forest System land, that expires, is transferred, or is waived shall be renewed or reissued under, as appropriate—

''(1) section 402;

''(2) section 19 of the Act of April 24, 1950 (commonly known as the 'Granger-Thye Act'; 16 U.S.C. 580l);

''(3) title III of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1010 et seq.); or

''(4) section 510 the California Desert Protection Act of 1994 (16 U.S.C. 410aaa–50).

''(c) TERMS; CONDITIONS.—The terms and conditions (except the termination date) contained in an expired, transferred, or waived permit or lease described in subsection (b) shall continue in effect under a renewed or reissued permit or lease until the date on which the Secretary concerned completes the processing of the renewed or reissued permit or lease that is the subject of the expired, transferred, or waived permit or lease, in compliance with each applicable law.

''(d) CANCELLATION; SUSPENSION; MODIFICATION.—Notwithstanding subsection (c), a permit or lease described in subsection (b) may be cancelled, suspended, or modified in accordance with applicable law.

''(e) RENEWAL TRANSFER REISSUANCE AFTER PROCESSING.—When the Secretary concerned has completed the processing of the renewed or reissued permit or lease that is the subject of the expired, transferred, or waived permit or lease, the Secretary concerned may renew or reissue the permit or lease for a term of 20 years after completion of processing.

''(f) COMPLIANCE WITH NATIONAL ENVIRONMENTAL POLICY ACT OF 1969.—The renewal, reissuance, or transfer of a grazing permit or lease by the Secretary concerned may, at their sole discretion, be categorically excluded from the requirement to prepare an environmental assessment or an environmental impact statement if—

''(1) the decision to renew, reissue, or transfer continues the current grazing management of the allotment;

''(2) monitoring of the allotment has indicated that the current grazing management has met, or has satisfactorily progressed towards meeting, objectives contained in the

land use and resource management plan of the allotment, as determined by the Secretary concerned; or

''(3) the decision is consistent with the policy of the Department of the Interior or the Department of Agriculture, as appropriate, regarding extraordinary circumstances.

''(g) PRIORITY AND TIMING FOR COMPLETING ENVIRONMENTAL ANALYSES.—The Secretary concerned, in the sole discretion of the Secretary concerned, shall determine the priority and timing for completing each required environmental analysis regarding any grazing allotment, permit, or lease based on the environmental significance of the allotment, permit, or lease and available funding for that purpose.

''(h) NEPA EXEMPTIONS.—The National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) shall not apply to the following:

''(1) Crossing and trailing authorizations of domestic livestock.

''(2) Transfer of grazing preference.''.

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**SA 2512.** Mr. BROWN of Ohio submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. ___. SMALL BUSINESS HUBZONES.**

(a) DEFINITION.—In this section, the term ''covered base closure area'' means a base closure area that, on or before the date of enactment of this Act, was treated as a HUBZone for purposes of the Small Business Act (15 U.S.C. 631 et seq.) pursuant to section 152(a)(2) of the Small Business Reauthorization and Manufacturing Assistance Act of 2004 (15 U.S.C. 632 note).

(b) TREATMENT AS HUBZONE.—A covered base closure area shall be treated as a HUBZone for purposes of the Small Business Act (15 U.S.C. 631 et seq.) during the 5-year period beginning on the date of enactment of this Act.

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**SA 2513.** Mr. BROWN of Ohio (for himself and Mr. CASEY) submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**TITLE ____—21ST CENTURY INVESTMENT**

**SEC. ___1. SHORT TITLE.**

This title may be cited as the ''21st Century Investment Act of 2012''.

**SEC. ___2. RESEARCH CREDIT MADE PERMANENT.**

(a) IN GENERAL.—Section 41 of the Internal Revenue Code of 1986 is amended by striking subsection (h).

(b) CONFORMING AMENDMENT.—Paragraph (1) of section 45C(b) of such Code is amended by striking subparagraph (D).

(c) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid or incurred after December 31, 2011.

**SEC. ___3. INCREASE IN SIMPLIFIED RESEARCH CREDIT.**

(a) IN GENERAL.—Subparagraph (A) of section 41(c)(5) of the Internal Revenue Code of 1986 is amended by striking ''14 percent (12 percent in the case of taxable years ending before January 1, 2009)'' and inserting ''20 percent''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2011.

**SEC. ___4. INCREASE IN RESEARCH CREDIT FOR RESEARCH WITH UNITED STATES BUSINESSES.**

(a) IN GENERAL.—Section 41 of the Internal Revenue Code of 1986, as amended by section 2 of this Act, is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

''(h) SPECIAL RULE FOR RESEARCH WITH UNITED STATES MANUFACTURING BUSINESS.—

''(1) IN GENERAL.—If the taxpayer elects the application of this subsection, subsection (a)(1) shall be applied by substituting '25 percent' for '20 percent' with respect to qualified United States research expenses.

''(2) QUALIFIED UNITED STATES RESEARCH EXPENSES.—For purposes of this subsection, the term 'qualified United States research expenses' means qualified research expenses for qualified research, substantially all of which occurs in the United States.

''(3) SEPARATE APPLICATION OF SECTION.—In the case of any election of the application of this subsection, this section shall be applied separately with respect qualified United States research expenses.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred for taxable years beginning after the date of the enactment of this Act.

**SEC. ___5. INCREASE IN DOMESTIC PRODUCTION ACTIVITIES DEDUCTION FOR MANUFACTURED PROPERTY RESEARCHED AND DEVELOPED IN UNITED STATES.**

(a) IN GENERAL.—Subsection (d) of section 199 of the Internal Revenue Code of 1986 is amended by redesignating paragraph (10) as paragraph (11) and by inserting after paragraph (9) the following new paragraph:

''(10) SPECIAL RULE FOR CERTAIN MANUFACTURING.—

''(A) IN GENERAL.—In the case qualified production activities income attributable to the manufacture or production of qualifying production property substantially all of the research and development of which occurred in the United States, subsection (a) shall be applied by substituting '15 percent' for '9 percent'.

''(B) SPECIAL RULE WHEN TAXABLE INCOME USED TO DETERMINE DEDUCTION.—In the case of any taxable year for which the taxpayer's qualified production activities income exceeds the taxpayer's taxable income (determined without regard to this section), the amount of taxable income to which the 15 percent amount in subparagraph (A) applies under subsection (a)(1) shall be an amount equal to the amount which bears the same ratio to such taxable income (as so determined) as—

''(i) the amount of qualified production activities income of the taxpayer for the taxable year which is attributable to the manufacture or production of qualifying production property substantially all of the research and development with respect to which occurred in the United States, bears to

''(ii) all qualified production activities income of the taxpayer for the taxable year.

''(C) TERMINATION.—This paragraph shall not apply to taxable years beginning after December 31, 2020.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

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**SA 2514.** Mr. THUNE (for himself, Mr. ROBERTS, Mr. BLUNT, and Mr. KYL) submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 2.

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**SA 2515.** Mr. BENNET (for himself, Mr. MORAN, Mr. UDALL of Colorado, and Mr. TESTER) submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. ___. EXTENSION OF CREDITS FOR WIND FACILITIES.**

(a) PRODUCTION TAX CREDIT.—Paragraph (1) of section 45(d) of the Internal Revenue Code of 1986 is amended by striking ''January 1, 2013'' and inserting ''January 1, 2015''.

(b) INVESTMENT TAX CREDIT.—Clause (i) of section 48(a)(5)(C) of the Internal Revenue Code of 1986 is amended by striking ''or 2012'' and inserting ''2012, 2013, or 2014''.

(c) CONFORMING AMENDMENT.—Paragraph (1) of section 1603(e) of division B of the American Recovery and Reinvestment Act of 2009 is amended by striking ''January 1, 2013'' and inserting ''January 1, 2015''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to facilities placed in service after December 31, 2012.

**SEC. ___. DELAY IN APPLICATION OF WORLDWIDE INTEREST.**

(a) IN GENERAL.—Paragraphs (5)(D) and (6) of section 864(f) of the Internal Revenue Code of 1986 are each amended by striking ''December 31, 2020'' and inserting ''December 31, 2022''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

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**SA 2516.** Mr. FRANKEN (for himself and Mr. ENZI) submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. ___. EXTENSION OF TIME FOR MAKING S CORPORATION ELECTIONS.**

(a) IN GENERAL.—Subsection (b) of section 1362 of the Internal Revenue Code of 1986 is amended to read as follows:

''(b) WHEN MADE.—

''(1) RULES FOR NEW CORPORATIONS.—Except as provided in paragraph (2)—

''(A) IN GENERAL.—An election under subsection (a) may be made by a small business corporation for any taxable year at any time during the period—

''(i) beginning on the first day of the taxable year for which made, and

''(ii) ending on the due date (with extensions) for filing the return for the taxable year.

''(B) CERTAIN ELECTIONS TREATED AS MADE FOR NEXT TAXABLE YEAR.—If—

''(i) an election under subsection (a) is made for any taxable year within the period described in subparagraph (A), but

''(ii) either—

''(I) on 1 or more days in such taxable year and before the day on which the election was made the corporation did not meet the requirements of subsection (b) of section 1361, or

''(II) 1 or more of the persons who held stock in the corporation during such taxable year and before the election was made did not consent to the election,

then such election shall be treated as made for the following taxable year.

''(C) ELECTION MADE AFTER DUE DATE TREATED AS MADE FOR FOLLOWING TAXABLE YEAR.—If—

''(i) a small business corporation makes an election under subsection (a) for any taxable year, and

''(ii) such election is made after the due date (with extensions) for filing the return for such year and on or before the due date (with extensions) for filing the return for the following taxable year,

then such election shall be treated as made for the following taxable year.

''(2) RULES FOR EXISTING C CORPORATIONS.—In the case of any small business corporation which was a C corporation for the taxable year prior to the taxable year for which the election is made under subsection (a), the rules under this paragraph shall apply in lieu of the rules under paragraph (1):

''(A) IN GENERAL.—An election under subsection (a) may be made by a small business corporation for any taxable year—

''(i) at any time during the preceding taxable year, or

''(ii) at any time during the taxable year and on or before the 15th day of the 3d month of the taxable year.

''(B) CERTAIN ELECTIONS MADE DURING 1ST 2½ MONTHS TREATED AS MADE FOR NEXT TAXABLE YEAR.—If—

''(i) an election under subsection (a) is made for any taxable year during such year and on or before the 15th day of the 3d month of such year, but

''(ii) either—

''(I) on 1 or more days in such taxable year and before the day on which the election was made the corporation did not meet the requirements of subsection (b) of section 1361, or

''(II) 1 or more of the persons who held stock in the corporation during such taxable year and before the election was made did not consent to the election,

then such election shall be treated as made for the following taxable year.

''(C) ELECTION MADE AFTER 1ST 2½ MONTHS TREATED AS MADE FOR FOLLOWING TAXABLE YEAR.—If—

''(i) a small business corporation makes an election under subsection (a) for any taxable year, and

''(ii) such election is made after the 15th day of the 3d month of the taxable year and on or before the 15th day of the 3rd month of the following taxable year,

then such election shall be treated as made for the following taxable year.

''(D) TAXABLE YEARS OF 2½ MONTHS OR LESS.—For purposes of this paragraph, an election for a taxable year made not later than 2 months and 15 days after the first day of the taxable year shall be treated as timely made during such year.

''(3) AUTHORITY TO TREAT LATE ELECTIONS, ETC., AS TIMELY.—If—

''(A) an election under subsection (a) is made for any taxable year after the date prescribed by this subsection for making such election for such taxable year or no such election is made for any taxable year, and

''(B) the Secretary determines that there was reasonable cause for the failure to timely make such election,

the Secretary may treat such an election as timely made for such taxable year.

''(4) MANNER OF ELECTION.—Elections may be made at any time as provided in this subsection by filing a form prescribed by the Secretary. For purposes of any election described under paragraph (1), the Secretary shall provide that the election may be made on any timely filed small business corporation return for such taxable year, with the consents of all persons who held stock in the corporation during such taxable year included therewith.

''(5) SECRETARIAL AUTHORITY.—The Secretary may prescribe such regulations, rules, or other guidance as may be necessary or appropriate for purposes of applying this subsection.''.

(b) REVOCATIONS.—Paragraph (1) of section 1362(d) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''subparagraph (D)'' in subparagraph (C) and inserting ''subparagraphs (D) and (E)'', and

(2) by adding at the end the following new subparagraph:

''(E) AUTHORITY TO TREAT LATE REVOCATIONS AS TIMELY.—If—

''(i) a revocation under subparagraph (A) is made for any taxable year after the date prescribed by this paragraph for making such revocation for such taxable year or no such revocation is made for any taxable year, and

''(ii) the Secretary determines that there was reasonable cause for the failure to timely make such revocation,

the Secretary may treat such a revocation as timely made for such taxable year.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to elections for taxable years beginning after the date of the enactment of this Act.

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**SA 2517.** Mr. BEGICH submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. ___. ELECTION FOR SMALL BUSINESSES TO EXPENSE DEPRECIABLE PROPERTY.**

(a) IN GENERAL.—Part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after section 179E the following new section:

**''SEC. 179F. ELECTION FOR SMALL BUSINESSES TO EXPENSE CERTAIN DEPRECIABLE PROPERTY.**

''(a) IN GENERAL.—An eligible small business may elect to treat the cost of any qualified property as an expense which is not chargeable to a capital account.

''(b) ELIGIBLE SMALL BUSINESS.—For purposes of this section—

''(1) IN GENERAL.—The term 'eligible small business' means, with respect to any taxable year, any trade or business the net profit of which does not exceed $1,000,000.

''(2) NET PROFIT.—The term 'net profit' means the excess of the aggregate gross receipts over the sum of—

''(A) the costs of goods sold which are allocable to such receipts, and

''(B) other expenses, losses, or deductions which are properly allocable to such receipts.

''(3) AGGREGATION RULES.—All persons treated as a single employer under subsection (a) or (b) of section 52 or subsection (m) or (o) of section 414 shall be treated as a single trade or business for purposes of this subsection.

''(c) ELECTION.—An election under this section for any taxable year shall be made on the taxpayer's return of the tax imposed by this chapter for the taxable year. Such election shall be made in such manner as the Secretary may by regulation prescribe.

''(d) DEFINITIONS AND SPECIAL RULES.—

''(1) QUALIFIED PROPERTY.—For purposes of this section, the term 'qualified property' means any property which is section 179 property as defined in section 179(d)(1), determined—

''(A) without regard to any placed in service date under subparagraph (A)(ii) thereof, and

''(B) without regard to any taxable year limitation under section 179(f).

''(2) SPECIAL RULES.—For purposes of this section, rules similar to the rules of paragraphs (3), (4), (5), (9), and (10) of section 179(d) shall apply.''.

(b) CLERICAL AMENDMENT.—Part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 179E the following new item:

''Sec. 179F. Election for small businesses to expense certain depreciable property.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2012.

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**SA 2518.** Mr. THUNE (for himself, Mr. RUBIO, Mr. GRAHAM, and Mr. BOOZMAN) submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**TITLE ____—DEATH TAX REPEAL**

**SEC. ___1. SHORT TITLE.**

This title may be cited as the ''Death Tax Repeal Permanency Act of 2012''.

**SEC. ___2. REPEAL OF ESTATE AND GENERATION-SKIPPING TRANSFER TAXES.**

(a) ESTATE TAX REPEAL.—Subchapter C of chapter 11 of subtitle B of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

**''SEC. 2210. TERMINATION.**

''(a) IN GENERAL.—Except as provided in subsection (b), this chapter shall not apply to the estates of decedents dying on or after the date of the enactment of the Death Tax Repeal Permanency Act of 2012.

''(b) CERTAIN DISTRIBUTIONS FROM QUALIFIED DOMESTIC TRUSTS.—In applying section 2056A with respect to the surviving spouse of a decedent dying before the date of the enactment of the Death Tax Repeal Permanency Act of 2012—

''(1) section 2056A(b)(1)(A) shall not apply to distributions made after the 10-year period beginning on such date, and

''(2) section 2056A(b)(1)(B) shall not apply on or after such date.''.

(b) GENERATION-SKIPPING TRANSFER TAX REPEAL.—Subchapter G of chapter 13 of subtitle B of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

**''SEC. 2664. TERMINATION.**

''This chapter shall not apply to generation-skipping transfers on or after the date of the enactment of the Death Tax Repeal Permanency Act of 2012.''.

(c) CONFORMING AMENDMENTS.—

(1) The table of sections for subchapter C of chapter 11 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

''Sec. 2210. Termination.''.

(2) The table of sections for subchapter G of chapter 13 of such Code is amended by adding at the end the following new item:

''Sec. 2664. Termination.''.

(d) RESTORATION OF PRE-EGTRRA PROVISIONS NOT APPLICABLE.—

(1) IN GENERAL.—Section 301 of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 shall not

apply to estates of decedents dying, and transfers made, on or after the date of the enactment of this Act.

(2) EXCEPTION FOR STEPPED-UP BASIS.—Paragraph (1) shall not apply to the provisions of law amended by subtitle E of title V of the Economic Growth and Tax Relief Reconciliation Act of 2001 (relating to carryover basis at death; other changes taking effect with repeal).

(e) SUNSET NOT APPLICABLE.—

(1) Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall not apply to title V of such Act in the case of estates of decedents dying, and transfers made, on or after the date of the enactment of this Act.

(2) Section 304 of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 is hereby repealed.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to the estates of decedents dying, and generation-skipping transfers, after the date of the enactment of this Act.

**SEC. ___3. MODIFICATIONS OF GIFT TAX.**

(a) COMPUTATION OF GIFT TAX.—Subsection (a) of section 2502 of the Internal Revenue Code of 1986 is amended to read as follows:

''(a) COMPUTATION OF TAX.—

''(1) IN GENERAL.—The tax imposed by section 2501 for each calendar year shall be an amount equal to the excess of—

''(A) a tentative tax, computed under paragraph (2), on the aggregate sum of the taxable gifts for such calendar year and for each of the preceding calendar periods, over

''(B) a tentative tax, computed under paragraph (2), on the aggregate sum of the taxable gifts for each of the preceding calendar periods.

''(2) RATE SCHEDULE.—

| **''If the amount with respect to which the tentative tax to be computed is:** | **The tentative tax is:** |
|---|---|
| Not over $10,000 | 18% of such amount. |
| Over $10,000 but not over $20,000 | $1,800, plus 20% of the excess over $10,000. |
| Over $20,000 but not over $40,000 | $3,800, plus 22% of the excess over $20,000. |
| Over $40,000 but not over $60,000 | $8,200, plus 24% of the excess over $40,000. |
| Over $60,000 but not over $80,000 | $13,000, plus 26% of the excess over $60,000. |
| Over $80,000 but not over $100,000 | $18,200, plus 28% of the excess over $80,000. |
| Over $100,000 but not over $150,000 | $23,800, plus 30% of the excess over $100,000. |
| Over $150,000 but not over $250,000 | $38,800, plus 32% of the excess of $150,000. |
| Over $250,000 but not over $500,000 | $70,800, plus 34% of the excess over $250,000. |
| Over $500,000 | $155,800, plus 35% of the excess of $500,000.''. |

(b) TREATMENT OF CERTAIN TRANSFERS IN TRUST.—Section 2511 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(c) TREATMENT OF CERTAIN TRANSFERS IN TRUST.—Notwithstanding any other provision of this section and except as provided in regulations, a transfer in trust shall be treated as a taxable gift under section 2503, unless the trust is treated as wholly owned by the donor or the donor's spouse under subpart E of part I of subchapter J of chapter 1.''.

(c) LIFETIME GIFT EXEMPTION.—Paragraph (1) of section 2505(a) of the Internal Revenue Code of 1986 is amended to read as follows:

''(1) the amount of the tentative tax which would be determined under the rate schedule set forth in section 2502(a)(2) if the amount with respect to which such tentative tax is to be computed were $5,000,000, reduced by''.

(d) CONFORMING AMENDMENTS.—

(1) Section 2505(a) of the Internal Revenue Code of 1986 is amended by striking the last sentence.

(2) The heading for section 2505 of such Code is amended by striking ''**UNIFIED**''.

(3) The item in the table of sections for subchapter A of chapter 12 of such Code relating to section 2505 is amended to read as follows:

''Sec. 2505. Credit against gift tax.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to gifts made on or after the date of the enactment of this Act.

(f) TRANSITION RULE.—

(1) IN GENERAL.—For purposes of applying sections 1015(d), 2502, and 2505 of the Internal Revenue Code of 1986, the calendar year in which this title is enacted shall be treated as 2 separate calendar years one of which ends on the day before the date of the enactment of this Act and the other of which begins on such date of enactment.

(2) APPLICATION OF SECTION 2504(b).—For purposes of applying section 2504(b) of the Internal Revenue Code of 1986, the calendar year in which this title is enacted shall be treated as one preceding calendar period.

**SA 2519.** Mr. WHITEHOUSE (for himself and Mr. GRASSLEY) submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; as follows:

At the end, add the following:

**TITLE ____—SMALL BUSINESS REORGANIZATION EFFICIENCY AND CLARITY**

**SEC. ___01 SHORT TITLE.**

This title may be cited as the ''Small Business Reorganization Efficiency and Clarity Act''.

**SEC. ___02. FLEXIBILITY IN CONFIRMATION.**

Section 1129(e) of title 11, United States Code, is amended by striking ''45 days'' and inserting ''90 days''.

**SEC. ___03. CLARITY IN PERIODIC REPORTING REQUIREMENTS.**

Section 308(b) of title 11, United States Code, is amended—

(1) in paragraph (4), by adding ''and'' at the end;

(2) in paragraph (5), by striking ''; and'' at the end and inserting a period; and

(3) by striking paragraph (6).

**SEC. ___04. RETAINING PROFESSIONAL SERVICES.**

(a) IN GENERAL.—Section 327 of title 11, United States Code, is amended by adding at the end the following:

''(g) Notwithstanding subsection (a), a person is not disqualified for employment under this section by a small business debtor solely because such person holds a claim of less than $5,000 that arose prior to the date of commencement of the case.''.

(b) ADJUSTMENTS TO DOLLAR AMOUNT.—Section 104 of title 11, United States Code, is amended by inserting ''327(g),'' after ''303(b),''.

**SEC. ___05. ENFORCEMENT OF SMALL BUSINESS SELECTION.**

Section 1112(b)(4) of title 11, United States Code, is amended—

(1) by redesignating subparagraphs (O) and (P) as subparagraphs (P) and (Q), respectively; and

(2) by inserting after subparagraph (N) the following:

''(O) failure of a small business debtor to designate itself as a small business debtor;''.

**SEC. ___06. REPORT.**

Not later than 12 months after the date of enactment of this Act, the Comptroller General of the United States, in consultation with the Administrative Office of United States Courts and the Executive Office of United States Trustees, shall submit a report to Congress detailing—

(1) the number and percentage of all cases filed under chapter 11 of title 11, United States Code, in which the debtor is a small business debtor, as that term is defined in section 101(51D) of title 11, United States Code;

(2) the number of cases and rates of confirmations for small business debtors in cases filed under chapter 11 of title 11, United States Code, as compared with—

(A) all debtors in cases filed under that chapter 11;

(B) all debtors in cases filed under that chapter 11 that are not small business debtors;

(C) debtors in cases filed under that chapter 11 that—

(i) are not small business debtors; and

(ii) have less than $5,000,000 in debt;

(D) debtors in cases filed under that chapter 11 that—

(i) are not small business debtors; and

(ii) have less than $10,000,000 in debt;

(E) debtors in cases filed under chapter 12 of title 11, United States Code; and

(F) debtors in cases filed under that chapter 13 that are business cases;

(3) the number of cases filed under chapter 11 of title 11, United States Code, in which the debtor has less than $2,343,300 in debt outstanding, but does not designate itself a small business debtor;

(4) recommendations for improving the confirmation rate for small business debtors; and

(5) an analysis on whether the definition of the term ''small business debtor'' should be amended to include businesses with—

(A) less than $5,000,000 in debt; and

(B) less than $10,000,000 in debt.

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**SA 2520.** Mr. BENNET (for himself, Mr. MORAN, Mr. UDALL of Colorado, and Mr. TESTER) submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; as follows:

At the end, add the following:

**SEC. ___. EXTENSION OF CREDITS FOR WIND FACILITIES.**

(a) PRODUCTION TAX CREDIT.—Paragraph (1) of section 45(d) of the Internal Revenue Code of 1986 is amended by striking ''January 1, 2013'' and inserting ''January 1, 2015''.

(b) INVESTMENT TAX CREDIT.—Clause (i) of section 48(a)(5)(C) of the Internal Revenue Code of 1986 is amended by striking ''or 2012'' and inserting ''2012, 2013, or 2014''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to facilities placed in service after December 31, 2012.

**SEC. ___. DELAY IN APPLICATION OF WORLDWIDE INTEREST.**

(a) IN GENERAL.—Paragraphs (5)(D) and (6) of section 864(f) of the Internal Revenue Code of 1986 are each amended by striking ''December 31, 2020'' and inserting ''December 31, 2022''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

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**SA 2521.** Mr. REID (for Ms. LANDRIEU) proposed an amendment to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

**DIVISION A—SMALL BUSINESS JOBS AND TAX RELIEF**

**SECTION 1. SHORT TITLE.**

This division may be cited as the ''Small Business Jobs and Tax Relief Act''.

**SEC. 2. TEMPORARY TAX CREDIT FOR INCREASED PAYROLL.**

(a) IN GENERAL.—In the case of a qualified employer who elects the application of this section, there shall be allowed as a credit against the tax imposed by chapter 1 of the Internal Revenue Code of 1986 for the taxable year which includes December 31, 2012, an amount equal to 10 percent of the excess (if any) of—

(1) the sum of the wages and compensation paid by such qualified employer for qualified services during calendar year 2012, over

(2) the sum of such wages and compensation paid during calendar year 2011.

(b) LIMITATION.—The amount of the excess taken into account under subsection (a) with respect to any qualified employer shall not exceed $5,000,000.

(c) WAGES AND COMPENSATION.—For purposes of this section—

(1) WAGES.—The term ''wages'' has the meaning given such term under section 3121 of the Internal Revenue Code of 1986 for purposes of the tax imposed by section 3111(a) of such Code.

(2) COMPENSATION.—The term ''compensation'' has the meaning given such term under section 3231 of such Code for purposes of the portion of the tax imposed by section 3221(a) of such Code that corresponds to the tax imposed by section 3111(a) of such Code.

(3) APPLICATION OF CONTRIBUTION AND BENEFIT BASE TO CALENDAR YEAR 2011.—For purposes of determining wages and compensation under subsection (a)(2), the contribution and benefit base as determined under section 230 of the Social Security Act shall be such amount as in effect for calendar year 2012.

(4) SPECIAL RULE WHEN NO WAGES OR COMPENSATION IN 2011.—In any case in which the sum of the wages and compensation paid by a qualified employer for qualified services during calendar year 2011 is zero, then the amount taken into account under subsection (a)(2) shall be 80 percent of the amount taken into account under subsection (a)(1).

(5) COORDINATION WITH OTHER EMPLOYMENT CREDITS.—The amount of the excess taken into account under subsection (a) shall be reduced by the sum of all other Federal tax credits determined with respect to wages or compensation paid in calendar year 2012.

(d) OTHER DEFINITIONS.—

(1) QUALIFIED EMPLOYER.—For purposes of this section—

(A) IN GENERAL.—The term ''qualified employer'' has the meaning given such term under section 3111(d)(2) of the Internal Revenue Code of 1986, determined by substituting ''section 101 of the Higher Education Act of 1965'' for ''section 101(b) of the Higher Education Act of 1965'' in subparagraph (B) thereof.

(B) AGGREGATION RULES.—Rules similar to the rules of sections 414(b), 414(c), 414(m), and 414(o) of such Code shall apply to determine when multiple entities shall be treated as a single employer, and rules with respect to predecessor and successor employers may be applied, in such manner as may be prescribed by the Secretary of the Treasury or the Secretary's designee (in this section referred to as the ''Secretary'').

(2) QUALIFIED SERVICES.—The term ''qualified services'' means services performed by an individual who is not described in section 51(i)(1) of such Code (applied by substituting ''qualified employer'' for ''taxpayer'' each place it appears)—

(A) in a trade or business of the qualified employer, or

(B) in the case of a qualified employer exempt from tax under section 501(a) of such Code, in furtherance of the activities related to the purpose or function constituting the basis of the employer's exemption under section 501 of such Code.

(e) APPLICATION OF CERTAIN RULES.—Rules similar to the rules of sections 280C(a) and 6501(m) of the Internal Revenue Code of 1986 shall apply with respect to the credit determined under this section.

(f) TREATMENT OF CREDIT.—For purposes of the Internal Revenue Code of 1986—

(1) TAXABLE EMPLOYERS.—

(A) IN GENERAL.—The credit allowed under subsection (a) with respect to qualified services described in subsection (d)(2)(A) for any taxable year shall be added to the current year business credit under section 38(b) of such Code for such taxable year and shall be treated as a credit allowed under subpart D of part IV of subchapter A of chapter 1 of such Code.

(B) LIMITATION ON CARRYBACKS.—No portion of the unused business credit under section 38 of such Code for any taxable year which is attributable to an increase in the current year business credit by reason of subparagraph (A) may be carried to a taxable year beginning before the date of the enactment of this section.

(2) TAX-EXEMPT EMPLOYERS.—

(A) IN GENERAL.—The credit allowed under subsection (a) with respect to qualified services described in subsection (d)(2)(B) for any taxable year—

(i) shall be treated as a credit allowed under subpart C of part IV of subchapter A of chapter 1 of such Code, and

(ii) shall be added to the credits described in subparagraph (A) of section 6211(b)(4) of such Code.

(B) CONFORMING AMENDMENT.—Section 1324(b)(2) of title 31, United States Code, is amended by inserting ''or due under section 2 of the Small Business Jobs and Tax Relief Act'' after ''the Housing Assistance Tax Act of 2008''.

(g) TREATMENT OF POSSESSIONS.—

(1) PAYMENTS TO POSSESSIONS.—

(A) MIRROR CODE POSSESSIONS.—The Secretary shall pay to each possession of the United States with a mirror code tax system amounts equal to the loss to that possession by reason of the application of subsections (a) through (f). Such amounts shall be determined by the Secretary based on information provided by the government of the respective possession of the United States.

(B) OTHER POSSESSIONS.—The Secretary shall pay to each possession of the United States which does not have a mirror code tax system the amount estimated by the Secretary as being equal to the loss to that possession that would have occurred by reason of the application of subsections (a) through (f) if a mirror code tax system had been in effect in such possession. The preceding sentence shall not apply with respect to any possession of the United States unless such possession establishes to the satisfaction of the Secretary that the possession has implemented (or, at the discretion of the Secretary, will implement) an income tax benefit which is substantially equivalent to the income tax credit allowed under such subsections.

(2) COORDINATION WITH CREDIT ALLOWED AGAINST UNITED STATES INCOME TAXES.—No increase in the credit determined under section 38(b) of the Internal Revenue Code of 1986 against United States income taxes for any taxable year determined by reason of subsection (f)(1)(A) shall be taken into account with respect to any person—

(A) to whom a credit is allowed against taxes imposed by the possession by reason of this section for such taxable year, or

(B) who is eligible for a payment under a plan described in paragraph (1)(B) with respect to such taxable year.

(3) DEFINITIONS AND SPECIAL RULES.—

(A) POSSESSION OF THE UNITED STATES.—For purposes of this subsection, the term ''possession of the United States'' includes American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico, and the United States Virgin Islands.

(B) MIRROR CODE TAX SYSTEM.—For purposes of this subsection, the term ''mirror code tax system'' means, with respect to any possession of the United States, the income tax system of such possession if the income tax liability of the residents of such possession under such system is determined by reference to the income tax laws of the United States as if such possession were the United States.

(C) TREATMENT OF PAYMENTS.—For purposes of section 1324(b)(2) of title 31, United States Code, the payments under this subsection shall be treated in the same manner as a refund due from credit provisions described in such section.

(h) REGULATIONS.—The Secretary shall prescribe such regulations or guidance as are necessary to carry out the provisions of this section.

**SEC. 3. EXTENSION OF ALLOWANCE FOR BONUS DEPRECIATION FOR CERTAIN BUSINESS ASSETS.**

(a) EXTENSION OF 100 PERCENT BONUS DEPRECIATION.—

(1) IN GENERAL.—Paragraph (5) of section 168(k) of the Internal Revenue Code of 1986 is amended—

(A) by striking ''January 1, 2012'' each place it appears and inserting ''January 1, 2013'', and

(B) by striking ''January 1, 2013'' and inserting ''January 1, 2014''.

(2) CONFORMING AMENDMENTS.—

(A) The heading for paragraph (5) of section 168(k) of such Code is amended by striking ''PRE-2012 PERIODS'' and inserting ''PRE-2013 PERIODS''.

(B) Clause (ii) of section 460(c)(6)(B) of such Code is amended by striking ''January 1, 2011 (January 1, 2012'' and inserting ''January 1, 2013 (January 1, 2014''.

(3) EFFECTIVE DATES.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the amendments made by this section shall apply to property placed in service after December 31, 2011.

(B) CONFORMING AMENDMENT.—The amendment made by paragraph (2)(B) shall apply to property placed in service after December 31, 2010.

(b) EXPANSION OF ELECTION TO ACCELERATE AMT CREDITS IN LIEU OF BONUS DEPRECIATION.—

(1) IN GENERAL.—Paragraph (4) of section 168(k) of the Internal Revenue Code of 1986 is amended to read as follows:

''(4) ELECTION TO ACCELERATE AMT CREDITS IN LIEU OF BONUS DEPRECIATION.—

''(A) IN GENERAL.—If a corporation elects to have this paragraph apply for any taxable year—

''(i) paragraph (1) shall not apply to any eligible qualified property placed in service by the taxpayer in such taxable year,

''(ii) the applicable depreciation method used under this section with respect to such property shall be the straight line method, and

''(iii) the limitation imposed by section 53(c) for such taxable year shall be increased by the bonus depreciation amount which is determined for such taxable year under subparagraph (B).

''(B) BONUS DEPRECIATION AMOUNT.—For purposes of this paragraph—

''(i) IN GENERAL.—The bonus depreciation amount for any taxable year is an amount equal to 20 percent of the excess (if any) of—

''(I) the aggregate amount of depreciation which would be allowed under this section for eligible qualified property placed in service by the taxpayer during such taxable year if paragraph (1) applied to all such property, over

''(II) the aggregate amount of depreciation which would be allowed under this section for eligible qualified property placed in service by the taxpayer during such taxable year if paragraph (1) did not apply to any such property.

The aggregate amounts determined under subclauses (I) and (II) shall be determined without regard to any election made under subsection (b)(2)(D), (b)(3)(D), or (g)(7) and without regard to subparagraph (A)(ii).

''(ii) LIMITATION.—The bonus depreciation amount for any taxable year shall not exceed the lesser of—

''(I) 50 percent of the minimum tax credit under section 53(b) for the first taxable year ending after December 31, 2011, reduced (but not below zero) by the sum of the bonus depreciation amounts for all taxable years ending after such date for which an election under this paragraph was made which precede the taxable year for which the determination is made (other than amounts determined with respect to property placed in service by the taxpayer on or before such date), or

''(II) the minimum tax credit under section 53(b) for such taxable year determined by taking into account only the adjusted minimum tax for taxable years ending before January 1, 2012 (determined by treating credits as allowed on a first-in, first-out basis).

''(iii) AGGREGATION RULE.—All corporations which are treated as a single employer under section 52(a) shall be treated—

''(I) as 1 taxpayer for purposes of this paragraph, and

''(II) as having elected the application of this paragraph if any such corporation so elects.

''(C) ELIGIBLE QUALIFIED PROPERTY.—For purposes of this paragraph, the term 'eligible qualified property' means qualified property under paragraph (2), except that in applying paragraph (2) for purposes of this paragraph—

''(i) 'March 31, 2008' shall be substituted for 'December 31, 2007' each place it appears in subparagraph (A) and clauses (i) and (ii) of subparagraph (E) thereof,

''(ii) 'April 1, 2008' shall be substituted for 'January 1, 2008' in subparagraph (A)(iii)(I) thereof, and

''(iii) only adjusted basis attributable to manufacture, construction, or production—

''(I) after March 31, 2008, and before January 1, 2010, and

''(II) after December 31, 2010, and before January 1, 2013, shall be taken into account under subparagraph (B)(ii) thereof.

''(D) CREDIT REFUNDABLE.—For purposes of section 6401(b), the aggregate increase in the credits allowable under part IV of subchapter A for any taxable year resulting from the application of this paragraph shall be treated as allowed under subpart C of such part (and not any other subpart).

''(E) OTHER RULES.—

''(i) ELECTION.—Any election under this paragraph may be revoked only with the consent of the Secretary.

''(ii) PARTNERSHIPS WITH ELECTING PARTNERS.—In the case of a corporation making an election under subparagraph (A) and which is a partner in a partnership, for purposes of determining such corporation's distributive share of partnership items under section 702—

''(I) paragraph (1) shall not apply to any eligible qualified property, and

''(II) the applicable depreciation method used under this section with respect to such property shall be the straight line method.

''(iii) CERTAIN PARTNERSHIPS.—In the case of a partnership in which more than 50 percent of the capital and profits interests are owned (directly or indirectly) at all times during the taxable year by one corporation (or by corporations treated as 1 taxpayer under subparagraph (B)(iii)), for purposes of subparagraph (B), each partner shall take into account its distributive share of the amounts determined by the partnership under subclauses (I) and (II) of clause (i) of such subparagraph for the taxable year of the partnership ending with or within the taxable year of the partner. The preceding sentence shall apply only to amounts determined with respect to property placed in service after December 31, 2011.

''(iv) SPECIAL RULE FOR PASSENGER AIRCRAFT.—In the case of any passenger aircraft, the written binding contract limitation under paragraph (2)(A)(iii)(I) shall not apply for purposes of subparagraphs (B)(i)(I) and (C).''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years ending after December 31, 2011.

(3) TRANSITIONAL RULE.—In the case of a taxable year beginning before January 1, 2012, and ending after December 31, 2011, the bonus depreciation amount determined under paragraph (4) of section 168(k) of the Internal Revenue Code of 1986 for such year shall be the sum of—

(A) such amount determined under such paragraph as in effect on the date before the date of enactment of this Act—

(i) taking into account only property placed in service before January 1, 2012, and

(ii) multiplying the limitation under subparagraph (C)(ii) of such paragraph (as so in effect) by a fraction the numerator of which is the number of days in the taxable year before January 1, 2012, and the denominator of which is the number of days in the taxable year, and

(B) such amount determined under such paragraph as amended by this Act—

(i) taking into account only property placed in service after December 31, 2011, and

(ii) multiplying the limitation under subparagraph (B)(ii) of such paragraph (as so in effect) by a fraction the numerator of which is the number of days in the taxable year after December 31, 2011, and the denominator of which is the number of days in the taxable year.

## DIVISION B—SUCCESS ACT OF 2012

**SEC. 1. SHORT TITLE.**

This division may be cited as the ''Success Ultimately Comes from Capital, Contracting, Education, Strategic Partnerships, and Smart Regulations Act of 2012'' or the ''SUCCESS Act of 2012''.

**SEC. 2. TABLE OF CONTENTS.**

The table of contents for this division is as follows:

## TITLE I—SMALL BUSINESS TAX EXTENDERS

**SEC. 101. REFERENCES.**

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

**SEC. 102. EXTENSION OF TEMPORARY EXCLUSION OF 100 PERCENT OF GAIN ON CERTAIN SMALL BUSINESS STOCK.**

(a) IN GENERAL.—Paragraph (4) of section 1202(a) is amended—

(1) by striking ''January 1, 2012'' and inserting ''January 1, 2014'', and

(2) by striking ''AND 2011'' and inserting '', 2011, 2012, AND 2013'' in the heading thereof.

(b) TECHNICAL AMENDMENTS.—

(1) SPECIAL RULE FOR 2009 AND CERTAIN PERIOD IN 2010.—Paragraph (3) of section 1202(a) is amended by adding at the end the following new flush sentence:

''In the case of any stock which would be described in the preceding sentence (but for this sentence), the acquisition date for purposes of this subsection shall be the first day on which such stock was held by the taxpayer determined after the application of section 1223.''.

(2) 100 PERCENT EXCLUSION.—Paragraph (4) of section 1202(a) is amended by adding at the end the following new flush sentence:

''In the case of any stock which would be described in the preceding sentence (but for this sentence), the acquisition date for purposes of this subsection shall be the first day on which such stock was held by the taxpayer determined after the application of section 1223.''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by subsection (a) shall apply to stock acquired after December 31, 2011.

(2) SUBSECTION (b)(1).—The amendment made by subsection (b)(1) shall take effect as if included in section 1241(a) of division B of the American Recovery and Reinvestment Act of 2009.

(3) SUBSECTION (b)(2).—The amendment made by subsection (b)(2) shall take effect as if included in section 2011(a) of the Creating Small Business Jobs Act of 2010.

**SEC. 103. EXTENSION OF INCREASED AMOUNT ALLOWED AS A DEDUCTION FOR START-UP EXPENDITURES.**

(a) IN GENERAL.—Paragraph (3) of section 195(b) is amended—

(1) by inserting '', 2012, or 2013'' after ''2010'', and

(2) by inserting ''2012, AND 2013'' in the heading thereof.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2011.

**SEC. 104. EXTENSION OF REDUCTION IN RECOGNITION PERIOD FOR BUILT-IN GAINS TAX.**

(a) IN GENERAL.—Paragraph (7) of section 1374(d) is amended—

(1) by redesignating subparagraph (C) as subparagraph (D), and

(2) by inserting after subparagraph (B) the following new subparagraph:

''(C) SPECIAL RULE FOR 2012 AND 2013.—For dispositions of property in taxable years beginning in 2012 or 2013, subparagraphs (A) and (D) shall be applied by substituting '5-year' for '10-year'.''.

(b) TECHNICAL AMENDMENT.—Subparagraph (B) of section 1374(d)(2) is amended by inserting ''described in subparagraph (A)'' after '', for any taxable year''.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to taxable years beginning after December 31, 2011.

**SEC. 105. EXTENSION OF 5-YEAR CARRYBACK OF GENERAL BUSINESS CREDITS OF ELIGIBLE SMALL BUSINESSES.**

(a) IN GENERAL.—Subparagraph (A) of section 39(a)(4) is amended by inserting ''or in taxable years beginning in 2012, or 2013'' after ''2010''.

(b) TECHNICAL AMENDMENT.—Section 38(c)(5)(B) is amended—

(1) by striking ''the sum of'', and

(2) by inserting ''for any taxable year to which subparagraph (A) applies'' after ''or (4)''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) shall apply to credits determined in taxable years beginning after December 31, 2011.

(2) TECHNICAL AMENDMENTS.—The amendments made by subsection (b) shall take effect as if included in section 2013(a) of the Creating Small Business Jobs Act of 2010.

**SEC. 106. EXTENSION OF INCREASED EXPENSING LIMITATIONS AND TREATMENT OF CERTAIN REAL PROPERTY AS SECTION 179 PROPERTY.**

(a) IN GENERAL.—

(1) DOLLAR LIMITATION.—Section 179(b)(1) is amended—

(A) by striking ''and'' at the end of subparagraph (C),

(B) by redesignating subparagraph (D) as subparagraph (E),

(C) by inserting after subparagraph (C) the following new subparagraph:

''(D) $500,000 in the case of taxable years beginning in 2013, and'', and

(D) in subparagraph (E), as so redesignated, by striking ''2012'' and inserting ''2013''.

(2) REDUCTION IN LIMITATION.—Section 179(b)(2) is amended—

(A) by striking ''and'' at the end of subparagraph (C),

(B) by redesignating subparagraph (D) as subparagraph (E),

(C) by inserting after subparagraph (C) the following new subparagraph:

''(D) $2,000,000 in the case of taxable years beginning in 2013, and'', and

(D) in subparagraph (E), as so redesignated, by striking ''2012'' and inserting ''2013''.

(b) COMPUTER SOFTWARE.—Section 179(d)(1)(A)(ii) is amended by striking ''2013'' and inserting ''2014''.

(c) ELECTION.—Section 179(c)(2) is amended by striking ''2013'' and inserting ''2014''.

(d) SPECIAL RULES FOR TREATMENT OF QUALIFIED REAL PROPERTY.—

(1) IN GENERAL.—Section 179(f)(1) is amended by striking ''2010 or 2011'' and inserting ''2010, 2011, or 2013''.

(2) CARRYOVER LIMITATION.—Section 179(f)(4) is amended by striking subparagraphs (A) through (C) and inserting the following:

''(A) IN GENERAL.—Notwithstanding subsection (b)(3)(B)—

''(i) no amount attributable to qualified real property placed in service in any taxable year beginning in 2010 or 2011 may be carried over to any taxable year beginning after 2011, and

''(ii) no amount attributable to qualified real property placed in service in any taxable year beginning in 2013 may be carried over to any taxable year beginning after 2013.

''(B) TREATMENT OF DISALLOWED AMOUNTS.—Except as provided in subparagraph (C)—

''(i) TAXABLE YEARS BEGINNING AFTER 2011.—To the extent that any amount is not allowed to be carried over to a taxable year beginning after 2011 by reason of subparagraph (A)(i), this title shall be applied as if no election under this section had been made with respect to such amount.

''(ii) TAXABLE YEARS BEGINNING AFTER 2013.—To the extent that any amount is not allowed to be carried over to a taxable year beginning after 2013 by reason of subparagraph (A)(ii), this title shall be applied as if no election under this section had been made with respect to such amount.

''(C) AMOUNTS CARRIED OVER FROM CERTAIN TAXABLE YEARS.—

''(i) AMOUNTS CARRIED OVER FROM 2010.—If subparagraph (B)(i) applies to any amount (or portion of an amount) which is carried over from a taxable year other than the taxpayer's last taxable year beginning in 2011, such amount (or portion of an amount) shall be treated for purposes of this title as attributable to property placed in service on the first day of the taxpayer's last taxable year beginning in 2011.

''(ii) AMOUNTS CARRIED OVER FROM 2013.—If subparagraph (B)(ii) applies to any amount (or portion of an amount) which is carried over from a taxable year other than the taxpayer's last taxable year beginning in 2013, such amount (or portion of an amount) shall be treated for purposes of this title as attributable to property placed in service on the first day of the taxpayer's last taxable year beginning in 2013.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2012.

## TITLE II—ACCESS TO CAPITAL

### Subtitle A—Expanding Access to Capital for Entrepreneurial Leaders

**SEC. 211. SHORT TITLE.**

This subtitle may be cited as the ''EXCEL Act of 2012''.

**SEC. 212. PROGRAM AUTHORIZATION.**

Section 303(b) of the Small Business Investment Act of 1958 (15 U.S.C. 683(b)) is amended, in the matter preceding paragraph (1), in the first sentence, by inserting after ''issued by such companies'' the following: '', in a total amount that does not exceed $4,000,000,000 each fiscal year (adjusted annually to reflect increases in the Consumer Price Index established by the Bureau of Labor Statistics of the Department of Labor)''.

**SEC. 213. FAMILY OF FUNDS.**

Section 303(b)(2)(B) of the Small Business Investment Act of 1958 (15 U.S.C. 683(b)(2)(B)) is amended by striking ''$225,000,000'' and inserting ''$350,000,000''.

**SEC. 214. ADJUSTMENT FOR INFLATION.**

Section 303(b)(2) of the Small Business Investment Act of 1958 (15 U.S.C. 683(b)(2)) is amended by adding at the end the following:

''(E) ADJUSTMENTS.—

''(i) IN GENERAL.—The dollar amounts in subparagraph (A)(ii), subparagraph (B), and subparagraph (C)(ii)(I) shall be adjusted annually to reflect increases in the Consumer Price Index established by the Bureau of Labor Statistics of the Department of Labor (in this subparagraph referred to as the 'CPI').

''(ii) APPLICABILITY.—The adjustments required by clause (i)—

''(I) with respect to dollar amounts in subparagraphs (A)(ii) and (C)(ii)(I) shall initially reflect increases in the CPI during the period beginning on the effective date of section 505 of the American Recovery and Reinvestment Act of 2009 (Public Law 111–5; 123 Stat. 156) through the date of enactment of this subparagraph and annually thereafter;

''(II) with respect to dollar amounts in subparagraph (B) shall reflect increases in the CPI annually on and after the date of enactment of this subparagraph.''.

**SEC. 215. PUBLIC AVAILABILITY OF INFORMATION.**

Section 303 of the Small Business Investment Act of 1958 (15 U.S.C. 683) is amended by adding at the end the following:

''(l) ACCESS TO FUND INFORMATION.—Annually, the Administrator shall make public on its website the following information with respect to each small business investment company:

''(1) The amount of capital deployed since fund inception.

''(2) The amount of leverage drawn since fund inception.

''(3) The number of investments since fund inception.

''(4) The number of businesses receiving capital since fund inception.

''(5) Industry sectors receiving investment since fund inception.

''(6) The amount of leverage principal repaid by the small business investment company since fund inception.

''(7) A basic description of investment strategy.''.

**SEC. 216. AUTHORIZED USES OF LICENSING FEES.**

Section 301 of the Small Business Investment Act of 1958 (15 U.S.C. 681) is amended—

(1) by redesignating subsection (e) as subsection (d); and

(2) in subsection (d)(2)(B), as so redesignated, by inserting before the period at the end the following: ''and other small business investment company program needs''.

**SEC. 217. SENSE OF CONGRESS.**

It is the sense of Congress that—

(1) small business investment companies would benefit from partnerships with community banks and other lenders, and should work with community banks and other lenders, to ensure that if community banks and other lenders deny an application by a small business concern for a loan, the community banks or other lenders will refer the small business concern to small business investment companies; and

(2) the Administrator of the Small Business Administration (in this division referred to as the ''Administrator'') should—

(A) increase outreach to community banks and other lenders to encourage community banks and other lenders to invest in small business investment companies;

(B) use the Internet to make publicly available in a timely manner which small business investment companies are actively soliciting investments and making investments in small business concerns;

(C) partner with governors, mayors, States, and municipalities to increase outreach by small business investment companies to underserved and rural areas; and

(D) continue to make changes to the webpage for the small business investment company program, to make the webpage—

(i) a more prominent part of the website of the Administration; and

(ii) more user-friendly.

### Subtitle B—Low-Interest Refinancing

**SEC. 221. LOW-INTEREST REFINANCING UNDER THE LOCAL DEVELOPMENT BUSINESS LOAN PROGRAM.**

Section 1122(b) of the Small Business Jobs Act of 2010 (15 U.S.C. 696 note) is amended by striking ''2 years'' and inserting ''on the date that is 3 years and 6 months''.

### Subtitle C—SBA Lender Activity Index

**SEC. 231. SBA LENDER ACTIVITY INDEX.**

Section 4 of the Small Business Act (15 U.S.C. 633) is amended by adding at the end the following:

''(g) SBA LENDER ACTIVITY INDEX.—

''(1) DEFINITION.—In this subsection, the term 'covered loan' means a loan made or debenture issued under this Act or the Small Business Investment Act of 1958 (15 U.S.C. 661 et seq.) by a private individual or entity.

''(2) REQUIREMENT.—Not later than 6 months after the date of enactment of this subsection, the Administrator shall make publicly available on the website of the Administration a user-friendly database of information relating to lenders making covered loans (to be known as the 'Lender Activity Index').

''(3) DATA INCLUDED.—

''(A) IN GENERAL.—The database made available under paragraph (2) shall include, for each lender making a covered loan—

''(i) the name of the lender;

''(ii) the number of covered loans made by the lender;

''(iii) the total dollar amount of covered loans made by the lender;

''(iv) a list of each ZIP code in which a recipient of a covered loan made by the lender is located;

''(v) a list of the industries of the recipients to which the lender made a covered loan;

''(vi) whether the covered loan is for an existing business or a new business;

''(vii) the number and total dollar amount of covered loans made by the lender to—

''(I) small business concerns owned and controlled by women;

''(II) socially and economically disadvantaged small business concerns (as defined in section 8(a)(4)(A)); and

''(III) small business concerns owned and controlled by veterans; and

''(viii) whether the covered loan was made under section 7(a) or under the program to provide financing to small business concerns through guarantees of loans under title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.).

''(B) INCORPORATION OF DATA.—The Administrator shall—

''(i) include in the database made available under paragraph (2) information relating to covered loans made during fiscal years 2009, 2010, 2011, and 2012; and

''(ii) incorporate information relating to covered loans on an ongoing basis.

''(C) PERIOD OF DATA AVAILABILITY.—The Administrator shall retain information relating to a covered loan in the database made available under paragraph (2) until not earlier than the end of the third fiscal year beginning after the fiscal year during which the covered loan was made.''.

## TITLE III—ACCESS TO GLOBAL MARKETS

**SEC. 301. SHORT TITLE.**

This title may be cited as the ''Small Business Export Growth Act of 2012''.

**SEC. 302. REPORT ON IMPROVEMENTS TO EXPORT.GOV AS A SINGLE WINDOW FOR EXPORT INFORMATION.**

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Director of International Trade of the Small Business Administration shall, after consultation with the entities specified in subsection (b), submit to the Committee on Small Business and Entrepreneurship and the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Small Business and the Committee on Foreign Affairs of the House of Representatives a report that includes the recommendations of the Director for improving the experience provided by the website Export.gov (or a successor website) as—

(1) a comprehensive resource for information about exporting articles from the United States; and

(2) a single website for exporters to submit all information required by the Federal Government with respect to the exportation of articles from the United States.

(b) ENTITIES SPECIFIED.—The entities specified in this subsection are—

(1) small business concerns (as defined in section 3 of the Small Business Act (15 U.S.C. 632)) that are exporters; and

(2) the President's Export Council, State agencies with responsibility for export promotion or export financing, district export councils, and trade associations.

**SEC. 303. REPORT ON DEVELOPING A SINGLE WINDOW FOR INFORMATION ABOUT EXPORT CONTROL COMPLIANCE.**

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Chief Counsel for Advocacy of the Small Business Administration shall submit to the appropriate congressional committees a report assessing the benefits of developing a website to serve as—

(1) a comprehensive resource for complying with and information about the export control laws and regulations of the United States; and

(2) a single website for exporters to submit all information required by the Federal Government with respect to export controls.

(b) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term ''appropriate congressional committees'' means—

(1) the Committee on Commerce, Science, and Transportation, the Committee on Banking, Housing, and Urban Affairs, and the Committee on Small Business and Entrepreneurship of the Senate; and

(2) the Committee on Energy and Commerce, the Committee on Foreign Affairs, and the Committee on Small Business of the House of Representatives.

**SEC. 304. PROMOTION OF EXPORTING.**

Section 22(c)(11) of the Small Business Act (15 U.S.C. 649(c)(11)) is amended by inserting '', which shall include conducting not fewer than 1 outreach event each fiscal year in each State that promotes exporting as a business development opportunity for small business concerns'' before the semicolon.

**SEC. 305. EXPORT CONTROL EDUCATION.**

Section 22 of the Small Business Act (15 U.S.C. 649) is amended—

(1) by redesignating subsection (l) as subsection (n); and

(2) by inserting after subsection (k) the following:

''(l) EXPORT CONTROL EDUCATION.—The Associate Administrator shall ensure that all programs of the Administration to support exporting by small business concerns place a priority on educating small business concerns about Federal export control regulations.''.

**SEC. 306. SMALL BUSINESS INTER-AGENCY TASK FORCE ON EXPORT FINANCING.**

The Administrator, in consultation with the Secretary of Agriculture, the President of the Export-Import Bank of the United States, and the President of the Overseas Private Investment Corporation shall jointly establish a Small Business Inter-Agency Task Force on Export Financing to—

(1) review and improve Federal export finance programs for small business concerns; and

(2) coordinate the activities of the Federal Government to assist small business concerns seeking to export.

**SEC. 307. PROMOTION OF EXPORTS BY RURAL SMALL BUSINESSES.**

(a) SMALL BUSINESS ADMINISTRATION-UNITED STATES DEPARTMENT OF AGRICULTURE INTERAGENCY COORDINATION.—

(1) EXPORT FINANCING PROGRAMS.—In coordination with the Secretary of Agriculture, the Administrator shall develop a program to cross-train export finance specialists and personnel from the Office of International Trade of the Administration on the export financing programs of the Department of Agriculture and the Foreign Agricultural Service.

(2) EXPORT ASSISTANCE AND BUSINESS COUNSELING PROGRAMS.—In coordination with the Secretary of Agriculture and the Foreign Agricultural Service, the Administrator shall develop a program to cross-train export finance specialists, personnel from the Office of International Trade of the Administration, Small Business Development Centers, women's business centers, the Service Corps of Retired Executives authorized by section 8(b)(1) of the Small Business Act (15 U.S.C. 637(b)(1)), Export Assistance Centers, and other resource partners of the Administration on the export assistance and business counseling programs of the Department of Agriculture.

(b) REPORT ON LENDERS.—Section 7(a)(16)(F) of the Small Business Act (15 U.S.C. 636(a)(16)(F)) is amended—

(1) in clause (i)—

(A) by redesignating subclauses (I) through (III) as items (aa) through (cc), respectively, and adjusting the margins accordingly;

(B) by striking ''list, have made'' and inserting the following: ''list—

''(I) have made'';

(C) in item (cc), as so redesignated, by striking the period at the end and inserting ''; and''; and

(D) by adding at the end the following:

''(II) were located in a rural area, as that term is defined in section 1393(a)(2) of the Internal Revenue Code of 1986, or a nonmetropolitan statistical area and have made—

''(aa) loans guaranteed by the Administration; or

''(bb) loans through the programs offered by the United States Department of Agriculture or the Foreign Agricultural Service.''; and

(2) in clause (ii)(II), by inserting ''and by resource partners of the Administration'' after ''the Administration''.

(c) COOPERATION WITH SMALL BUSINESS DEVELOPMENT CENTERS.—Section 21(c)(3)(M) of the Small Business Act (15 U.S.C. 648(c)(3)(M)) is amended by inserting after ''the Department of Commerce,'' the following: ''the Department of Agriculture,''.

(d) LIST OF RURAL EXPORT ASSISTANCE RESOURCES.—Section 22(c)(7) of the Small Business Act (15 U.S.C. 649(c)(7)) is amended—

(1) in subparagraph (C), by striking ''and'' at the end;

(2) by redesignating subparagraph (D) as subparagraph (E); and

(3) by inserting after subparagraph (C) the following:

''(D) publishing an annual list of relevant resources and programs of the district and regional offices of the Administration, other Federal agencies, the small business development center network, Export Assistance Centers, the network of women's business centers, chapters of the Service Corps of Retired Executives, State and local export promotion programs, and partners in the private sector, that—

''(i) are administered or offered by entities located in rural or nonmetropolitan statistical areas; and

''(ii) offer export assistance or business counseling services to rural small businesses concerns; and''.

**SEC. 308. REGISTRY OF EXPORT MANAGEMENT AND EXPORT TRADING COMPANIES.**

(a) COORDINATION WITH EXPORT MANAGEMENT COMPANIES AND EXPORT TRADING COMPANIES.—Not later than 1 year after the date of enactment of this Act, the Administrator shall establish a program to register export management companies, as that term is defined by the Department of Commerce, and export trading companies, as that term is defined in section 103 of the Export Trading Company Act of 1982 (15 U.S.C. 4002).

(b) REQUIREMENTS.—The program established under subsection (a) shall—

(1) be similar to the program of the Administration for registering franchise companies, as in effect on the date of enactment of this Act; and

(2) require that a list of the export management companies and export trading companies that register under the program, categorized by the type of product exported by the company, be made available on the website of the Administration.

**SEC. 309. REVERSE TRADE MISSIONS.**

Section 22(c) of the Small Business Act (15 U.S.C. 649(c)) is amended—

(1) in paragraph (12), by striking ''and'' at the end;

(2) in paragraph (13), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(14) in coordination with other relevant Federal agencies, encourage the participation of employees and resource partners of the Administration in reverse trade missions hosted or sponsored by the Federal Government.''.

**SEC. 310. STATE TRADE AND EXPORT PROMOTION GRANT PROGRAM.**

Section 1207(a)(5) of the Small Business Jobs Act of 2010 (15 U.S.C. 649b note) is amended by inserting after ''Guam,'' the following: ''the Commonwealth of the Northern Mariana Islands,''.

**SEC. 311. PROMOTION OF INTERAGENCY DETAILS.**

It is the sense of Congress that the Administrator should periodically detail staff of the Administration to other Federal agencies that are members of the Trade Promotion Coordinating Committee, to facilitate the cross training of the staff of the Administration on the export assistance programs of such other agencies.

**SEC. 312. ANNUAL EXPORT STRATEGY.**

Section 22 of the Small Business Act (15 U.S.C. 649), as amended by section 305 of this division, is amended by adding at the end the following:

''(m) SMALL BUSINESS TRADE STRATEGY.—

''(1) DEVELOPMENT OF SMALL BUSINESS TRADE STRATEGY.—The Associate Administrator shall develop and maintain a small business trade strategy that is included in the report on the governmentwide strategic plan for Federal trade promotion required to be submitted to Congress by the Trade Promotion Coordinating Committee under section 2312(f)(1) of the Export Enhancement Act of 1988 (15 U.S.C. 4727(f)(1)) that includes, at a minimum—

''(A) strategies to increase export opportunities for small business concerns, including a specific strategy to increase opportunities for small business concerns that are new to exporting;

''(B) recommendations to increase the competitiveness in the global economy of small business concerns in the United States that are part of industries in which small business concerns account for a high proportion of participating businesses;

''(C) recommendations to protect small business concerns from unfair trade practices, including intellectual property violations;

''(D) recommendations for strategies to promote and facilitate opportunities in the foreign markets that are most accessible for small business concerns that are new to exporting; and

''(E) strategies to expand the representation of small business concerns in the formation and implementation of United States trade policy.

''(2) ANNUAL REPORT TO CONGRESS.—At the beginning of each fiscal year, the Associate Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report on the small business trade strategy required under paragraph (1), which shall contain, at a minimum—

''(A) a description of each strategy and recommendation described in paragraph (1);

''(B) specific policies and objectives, together with timelines for the implementation of such policies and objectives; and

''(C) a description of the progress of the Administration in implementing the strategies and recommendations contained in the report submitted for the preceding fiscal year.''.

## TITLE IV—ACCESS TO MENTORING, EDUCATION, AND STRATEGIC PARTNERSHIPS

### Subtitle A—Measuring the Effectiveness of Resource Partners

**SEC. 411. EXPANDING ENTREPRENEURSHIP.**

Section 4 of the Small Business Act (15 U.S.C. 633), as amended by this division, is amended by adding at the end the following:

''(h) MANAGEMENT AND DIRECTION.—

''(1) PLAN FOR ENTREPRENEURIAL DEVELOPMENT AND JOB CREATION STRATEGY.—

''(A) PLAN REQUIRED.—The Administrator, in consultation with a representative from each entrepreneurial development program of the Administration, shall develop and submit to Congress a plan for using the entrepreneurial development programs of the Administration to create jobs during fiscal years 2013 and 2014.

''(B) CONTENTS OF PLAN.—The plan required under subparagraph (A) shall—

''(i) include the plan of the Administrator for using existing programs, including small business development centers, women's business centers, the Service Corps of Retired Executives authorized by section 8(b)(1), Veterans Business Outreach Centers, and programs of the Office of Native American Affairs, to create jobs;

''(ii) identify a strategy for each region of the Administration to use programs of the Administration to create or retain jobs in the region; and

''(iii) establish performance measures and criteria, including goals for job creation, job retention, and job retraining, to evaluate the success of the plan.

''(2) DATA COLLECTION PROCESS.—

''(A) IN GENERAL.—The Administrator shall, after notice and opportunity for comment, promulgate a rule to develop and implement a consistent data collection process for the entrepreneurial development programs.

''(B) CONTENTS.—The data collection process developed under subparagraph (A) shall collect data relating to job creation and performance and any other data determined appropriate by the Administrator.

''(3) COORDINATION AND ALIGNMENT OF SBA ENTREPRENEURIAL DEVELOPMENT PROGRAMS.—The Administrator, in consultation with other Federal departments and agencies as the Administrator determines is appropriate, shall submit an annual report to Congress describing opportunities to foster coordination of, limit duplication among, and improve program delivery for Federal entrepreneurial development programs.

''(4) DATABASE OF ENTREPRENEURIAL DEVELOPMENT SERVICE PROVIDERS.—

''(A) ESTABLISHMENT.—After providing a period of 60 days for public comment, the Administrator shall—

''(i) establish a database of providers of entrepreneurial development services; and

''(ii) make the database available through the website of the Administration.

''(B) SEARCHABILITY.—The database established under subparagraph (A) shall be searchable by industry, geographic location, and service required.

''(5) COMMUNITY SPECIALIST.—

''(A) DESIGNATION.—The Administrator shall designate not fewer than 1 staff member in each district office of the Administration as a community specialist whose full-time responsibility is working with local providers of entrepreneurial development services to increase coordination with Federal entrepreneurial development programs.

''(B) PERFORMANCE.—The Administrator shall develop benchmarks for measuring the performance of community specialists under this paragraph.''.

### Subtitle B—Women's Small Business Ownership

**SEC. 421. SHORT TITLE.**

This subtitle may be cited as the ''Women's Small Business Ownership Act of 2012''.

**SEC. 422. DEFINITION.**

In this subtitle, the term ''Administrator'' means the Administrator of the Small Business Administration.

**SEC. 423. OFFICE OF WOMEN'S BUSINESS OWNERSHIP.**

(a) IN GENERAL.—Section 29(g) of the Small Business Act (15 U.S.C. 656(g)) is amended—

(1) in paragraph (2)—

(A) in subparagraph (B)—

(i) in clause (i), by striking ''in the areas'' and all that follows through the end of subclause (I), and inserting the following: ''to address issues concerning the management, operations, manufacturing, technology, finance, retail and product sales, international trade, Government contracting, and other disciplines required for—

''(I) starting, operating, and increasing the business of a small business concern;''; and

(ii) in clause (ii), by striking ''Women's Business Center program'' each place that term appears and inserting ''women's business center program''; and

(B) in subparagraph (C), by inserting before the period at the end the following: '', the National Women's Business Council, and any association of women's business centers''; and

(2) by adding at the end the following:

''(3) TRAINING.—The Administrator may provide annual programmatic and financial examination training for women's business ownership representatives and district office technical representatives of the Administration to enable representatives to carry out their responsibilities.

''(4) PROGRAM AND TRANSPARENCY IMPROVEMENTS.—The Administrator shall maximize the transparency of the women's business center financial assistance proposal process and the programmatic and financial examination process by—

''(A) providing public notice of any announcement for financial assistance under subsection (b) or a grant under subsection (l) not later than the end of the first quarter of each fiscal year;

''(B) in the announcement described in subparagraph (A), outlining award and program evaluation criteria and describing the weighting of the criteria for financial assistance under subsection (b) and grants under subsection (l);

''(C) minimizing paperwork and reporting requirements for applicants for and recipients of financial assistance under this section;

''(D) standardizing the programmatic and financial examination process; and

''(E) providing to each women's business center, not later than 60 days after the completion of a site visit to the women's business center (whether conducted for an audit, performance review, or other reason), a copy of any site visit reports or evaluation reports prepared by district office technical representatives or officers or employees of the Administration.''.

(b) CHANGE OF TITLE.—

(1) IN GENERAL.—Section 29 of the Small Business Act (15 U.S.C. 656) is amended—

(A) in subsection (a)—

(i) by striking paragraphs (1) and (4);

(ii) by redesignating paragraphs (2) and (3) as paragraphs (4) and (5), respectively; and

(iii) by inserting before paragraph (4), as so redesignated, the following:

''(2) the term 'Director' means the Director of the Office of Women's Business Ownership established under subsection (g);'';

(B) by striking ''Assistant Administrator'' each place that term appears and inserting ''Director''; and

(C) in subsection (g)(2), in the paragraph heading, by striking ''ASSISTANT ADMINISTRATOR'' and inserting ''DIRECTOR''.

(2) WOMEN'S BUSINESS OWNERSHIP ACT OF 1988.—Title IV of the Women's Business Ownership Act of 1988 (15 U.S.C. 7101 et seq.) is amended—

(A) in section 403(a)(2)(B), by striking ''Assistant Administrator'' and inserting ''Director'';

(B) in section 405, by striking ''Assistant Administrator'' and inserting ''Director''; and

(C) in section 406(c), by striking ''Assistant Administrator'' and inserting ''Director''.

**SEC. 424. WOMEN'S BUSINESS CENTER PROGRAM.**

(a) WOMEN'S BUSINESS CENTER FINANCIAL ASSISTANCE.—Section 29 of the Small Business Act (15 U.S.C. 656) is amended—

(1) in subsection (a), as amended by section 423(b) of this division—

(A) by inserting before paragraph (2) the following:

''(1) the term 'association of women's business centers' means an organization—

''(A) that represents not less than 51 percent of the women's business centers that participate in a program under this section; and

''(B) whose primary purpose is to represent women's business centers;'';

(B) by inserting after paragraph (2) the following:

''(3) the term 'eligible entity' means—

''(A) a private nonprofit organization;

''(B) a State, regional, or local economic development organization;

''(C) a development, credit, or finance corporation chartered by a State;

''(D) a junior or community college, as defined in section 312(f) of the Higher Education Act of 1965 (20 U.S.C. 1058(f)); or

''(E) any combination of entities listed in subparagraphs (A) through (D);''; and

(C) by adding after paragraph (5) the following:

''(6) the term 'women's business center' means a project conducted by an eligible entity under this section.'';

(2) in subsection (b)—

(A) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), and adjusting the margins accordingly;

(B) by striking ''The Administration'' and all that follows through ''5-year projects'' and inserting the following:

''(1) IN GENERAL.—The Administration may provide financial assistance to an eligible entity to conduct a project under this section'';

(C) by striking ''The projects shall'' and inserting the following:

''(2) USE OF FUNDS.—The project shall be designed to provide training and counseling that meets the needs of women, especially socially and economically disadvantaged women, and shall''; and

(D) by adding at the end the following:

''(3) AMOUNT OF FINANCIAL ASSISTANCE.—

''(A) IN GENERAL.—The Administrator may award financial assistance under this subsection of not less than $100,000 and not more than $150,000 per year.

''(B) LOWER AMOUNT.—The Administrator may award financial assistance under this subsection to a recipient in an amount that is less than $100,000 if the Administrator determines that the recipient is unable to make a non-Federal contribution of $100,000 or more, as required under subsection (c).

''(C) EQUAL ALLOCATIONS.—If the Administration has insufficient funds to provide financial assistance of not less than $100,000 for each recipient of financial assistance under this subsection in any fiscal year, the Administrator shall provide an equal amount of financial assistance to each recipient in the fiscal year, unless a recipient requests a lower amount than the allocated amount.

''(4) CONSULTATION WITH ASSOCIATIONS OF WOMEN'S BUSINESS CENTERS.—The Administrator shall consult with each association of women's business centers to develop—

''(A) a training program for the staff of women's business centers and the Administration; and

''(B) recommendations to improve the policies and procedures for governing the general operations and administration of the women's business center program, including grant program improvements under subsection (g)(4).'';

(3) in subsection (c)—

(A) in paragraph (1) by striking ''the recipient organization'' and inserting ''an eligible entity'';

(B) in paragraph (3), in the second sentence, by striking ''a recipient organization'' and inserting ''an eligible entity'';

(C) in paragraph (4)—

(i) by striking ''recipient of assistance'' and inserting ''eligible entity'';

(ii) by striking ''such organization'' and inserting ''the eligible entity''; and

(iii) by striking ''recipient'' and inserting ''eligible entity''; and

(D) in paragraph (5)—

(i) in subparagraph (A), by striking ''a recipient organization'' and inserting ''an eligible entity''; and

(ii) by striking ''the recipient organization'' each place it appears and inserting ''the eligible entity''; and

(E) by adding at end the following:

''(6) SEPARATION OF PROJECT AND FUNDS.—An eligible entity shall—

''(A) carry out a project under this section separately from other projects, if any, of the eligible entity; and

''(B) separately maintain and account for any financial assistance under this section.'';

(4) in subsection (e)—

(A) by striking ''applicant organization'' and inserting ''eligible entity'';

(B) by striking ''a recipient organization'' and inserting ''an eligible entity''; and

(C) by striking ''site'';

(5) by striking subsection (f) and inserting the following:

''(f) APPLICATIONS AND CRITERIA FOR INITIAL FINANCIAL ASSISTANCE.—

''(1) APPLICATION.—Each eligible entity desiring financial assistance under subsection (b) shall submit to the Administrator an application that contains—

''(A) a certification that the eligible entity—

''(i) has designated an executive director or program manager, who may be compensated using financial assistance under subsection (b) or other sources, to manage the center on a full-time basis;

''(ii) as a condition of receiving financial assistance under subsection (b), agrees—

''(I) to receive a site visit by the Administrator as part of the final selection process;

''(II) to undergo an annual programmatic and financial examination; and

''(III) to the maximum extent practicable, to remedy any problems identified pursuant to the site visit or examination under subclause (I) or (II); and

''(iii) meets the accounting and reporting requirements established by the Director of the Office of Management and Budget;

''(B) information demonstrating that the eligible entity has the ability and resources to meet the needs of the market to be served by the women's business center for which financial assistance under subsection (b) is sought, including the ability to obtain the non-Federal contribution required under subsection (c);

''(C) information relating to the assistance to be provided by the women's business center for which financial assistance under subsection (b) is sought in the area in which the women's business center is located;

''(D) information demonstrating the experience and effectiveness of the eligible entity in—

''(i) conducting financial, management, and marketing assistance programs, as described in subsection (b)(2), which are designed to teach or upgrade the business skills of women who are business owners or potential business owners;

''(ii) providing training and services to a representative number of women who are socially and economically disadvantaged; and

''(iii) working with resource partners of the Administration and other entities, such as universities; and

''(E) a 5-year plan that describes the ability of the women's business center for which financial assistance is sought—

''(i) to serve women who are business owners or potential business owners by conducting training and counseling activities; and

''(ii) to provide training and services to a representative number of women who are socially and economically disadvantaged.

''(2) ADDITIONAL INFORMATION.—The Administrator shall make any request for additional information from an organization applying for financial assistance under subsection (b) that was not requested in the original announcement in writing.

''(3) REVIEW AND APPROVAL OF APPLICATIONS FOR INITIAL FINANCIAL ASSISTANCE.—

''(A) IN GENERAL.—The Administrator shall—

''(i) review each application submitted under paragraph (1), based on the information described in such paragraph and the criteria set forth under subparagraph (B) of this paragraph; and

''(ii) to the extent practicable, as part of the final selection process, conduct a site visit to each women's business center for which financial assistance under subsection (b) is sought.

''(B) SELECTION CRITERIA.—

''(i) IN GENERAL.—The Administrator shall evaluate applicants for financial assistance under subsection (b) in accordance with selection criteria that are—

''(I) established before the date on which applicants are required to submit the applications;

''(II) stated in terms of relative importance; and

''(III) publicly available and stated in each solicitation for applications for financial assistance under subsection (b) made by the Administrator.

''(ii) REQUIRED CRITERIA.—The selection criteria for financial assistance under subsection (b) shall include—

''(I) the experience of the applicant in conducting programs or ongoing efforts designed to teach or enhance the business skills of women who are business owners or potential business owners;

''(II) the ability of the applicant to begin a project within a minimum amount of time;

''(III) the ability of the applicant to provide training and services to a representative number of women who are socially and economically disadvantaged; and

''(IV) the location for the women's business center proposed by the applicant, including whether the applicant is located in a State in which there is not a women's business center receiving funding from the Administration.

''(C) PROXIMITY.—If the principal place of business of an applicant for financial assistance under subsection (b) is located less than 50 miles from the principal place of business of a women's business center that received funds under this section on or before the date of the application, the applicant shall not be eligible for the financial assistance, unless the applicant submits a detailed written justification of the need for an additional center in the area in which the applicant is located.

''(D) RECORD RETENTION.—The Administrator shall maintain a copy of each application submitted under this subsection for not less than 7 years.''; and

(6) in subsection (m)—

(A) by striking paragraph (3) and inserting the following:

''(3) APPLICATION AND APPROVAL FOR RENEWAL GRANTS.—

''(A) SOLICITATION OF APPLICATIONS.—The Administrator shall solicit applications and award grants under this subsection for the first fiscal year beginning after the date of enactment of the Women's Small Business Ownership Act of 2012, and every third fiscal year thereafter.

''(B) CONTENTS OF APPLICATION.—Each eligible entity desiring a grant under this subsection shall submit to the Administrator an application that contains—

''(i) a certification that the applicant—

''(I) is an eligible entity;

''(II) has designated a full-time executive director or program manager to manage the women's business center operated by the applicant; and

''(III) as a condition of receiving a grant under this subsection, agrees—

''(aa) to receive a site visit as part of the final selection process;

''(bb) to submit, for the 2 full fiscal years before the date on which the application is submitted, annual programmatic and financial examination reports or certified copies of the compliance supplemental audits under OMB Circular A–133 of the applicant; and

''(cc) to remedy any problem identified pursuant to the site visit or examination under item (aa) or (bb);

''(ii) information demonstrating that the applicant has the ability and resources to meet the needs of the market to be served by the women's business center for which a grant under this subsection is sought, including the ability to obtain the non-Federal contribution required under paragraph (4)(C);

''(iii) information relating to assistance to be provided by the women's business center in the area served by the women's business center for which a grant under this subsection is sought;

''(iv) information demonstrating that the applicant has worked with resource partners of the Administration and other entities;

''(v) a 3-year plan that describes the ability of the women's business center for which a grant under this subsection is sought—

''(I) to serve women who are business owners or potential business owners by conducting training and counseling activities; and

''(II) to provide training and services to a representative number of women who are socially and economically disadvantaged; and

''(vi) any additional information that the Administrator may reasonably require.

''(C) REVIEW AND APPROVAL OF APPLICATIONS FOR GRANTS.—

''(i) IN GENERAL.—The Administrator shall—

''(I) review each application submitted under subparagraph (B), based on the information described in such subparagraph and the criteria set forth under clause (ii) of this subparagraph; and

''(II) whenever practicable, as part of the final selection process, conduct a site visit to each women's business center for which a grant under this subsection is sought.

''(ii) SELECTION CRITERIA.—

''(I) IN GENERAL.—The Administrator shall evaluate applicants for grants under this subsection in accordance with selection criteria that are—

''(aa) established before the date on which applicants are required to submit the applications;

''(bb) stated in terms of relative importance; and

''(cc) publicly available and stated in each solicitation for applications for grants under this subsection made by the Administrator.

''(II) REQUIRED CRITERIA.—The selection criteria for a grant under this subsection shall include—

''(aa) the total number of entrepreneurs served by the applicant;

''(bb) the total number of new startup companies assisted by the applicant;

''(cc) the percentage of clients of the applicant that are socially or economically disadvantaged; and

''(dd) the percentage of individuals in the community served by the applicant who are socially or economically disadvantaged.

''(iii) CONDITIONS FOR CONTINUED FUNDING.—In determining whether to make a grant under this subsection, the Administrator—

''(I) shall consider the results of the most recent evaluation of the women's business center for which a grant under this subsection is sought, and, to a lesser extent, previous evaluations; and

''(II) may withhold a grant under this subsection, if the Administrator determines that the applicant has failed to provide the information required to be provided under this paragraph, or the information provided by the applicant is inadequate.

''(D) NOTIFICATION.—Not later than 60 days after the date of each deadline to submit applications, the Administrator shall approve or deny any application under this paragraph and notify the applicant for each such application of the approval or denial.

''(E) RECORD RETENTION.—The Administrator shall maintain a copy of each application submitted under this paragraph for not less than 7 years.''; and

(B) by striking paragraph (5) and inserting the following:

''(5) AWARD TO PREVIOUS RECIPIENTS.—There shall be no limitation on the number of times the Administrator may award a grant to an applicant under this subsection.''.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) IN GENERAL.—Section 29 of the Small Business Act (15 U.S.C. 656) is amended—

(A) in subsection (h)(2), by striking ''to award a contract (as a sustainability grant) under subsection (l) or'';

(B) in subsection (j)(1), by striking ''The Administration'' and inserting ''Not later than November 1 of each year, the Administrator'';

(C) in subsection (k)—

(i) by striking paragraphs (1), (2), and (4);

(ii) by redesignating paragraph (3) as paragraph (4); and

(iii) by inserting before paragraph (4), as so redesignated, the following:

''(1) IN GENERAL.—There are authorized to be appropriated to the Administration to carry out this section, to remain available until expended, $14,500,000 for each of fiscal years 2013, 2014, and 2015.

''(2) USE OF FUNDS.—Amounts made available under this subsection may only be used for grant awards and may not be used for costs incurred by the Administration in connection with the management and administration of the program under this section.

''(3) CONTINUING GRANT AND COOPERATIVE AGREEMENT AUTHORITY.—

''(A) PROMPT DISBURSEMENT.—Upon receiving funds to carry out this section for a fiscal year, the Administrator shall, to the extent practicable, promptly reimburse funds to any women's business center awarded financial assistance under this section if the center meets the eligibility requirements under this section.

''(B) SUSPENSION OR TERMINATION.—If the Administrator has entered into a grant or cooperative agreement with a women's business center under this section, the Administrator may not suspend or terminate the grant or cooperative agreement, unless the Administrator—

''(i) provides the women's business center with written notification setting forth the reasons for that action; and

''(ii) affords the women's business center an opportunity for a hearing, appeal, or other administrative proceeding under chapter 5 of title 5, United States Code.'';

(D) in subsection (m)—

(i) in paragraph (2), by striking ''subsection (b) or (l)'' and inserting ''this subsection or subsection (b)''; and

(ii) in paragraph (4)(D), by striking ''or subsection (l)''; and

(E) by redesignating subsections (m) and (n), as amended by this division, as subsections (l) and (m), respectively.

(2) PROSPECTIVE REPEAL.—Section 1401(c)(2) of the Small Business Jobs Act of 2010 (15 U.S.C. 636 note) is amended—

(A) in subparagraph (A), by striking ''and'' at the end;

(B) in subparagraph (B), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(C) by redesignating paragraph (6), as added by section 424(a)(3)(E) of the Women's Small Business Ownership Act of 2012, as paragraph (5).''.

(c) EFFECT ON EXISTING GRANTS.—

(1) TERMS AND CONDITIONS.—A nonprofit organization receiving a grant under section 29(m) of the Small Business Act (15 U.S.C. 656(m)), as in effect on the day before the date of enactment of this Act, shall continue to receive the grant under the terms and conditions in effect for the grant on the day before the date of enactment of this Act, except that the nonprofit organization may not apply for a renewal of the grant under section 29(m)(5) of the Small Business Act (15 U.S.C. 656(m)(5)), as in effect on the day before the date of enactment of this Act.

(2) LENGTH OF RENEWAL GRANT.—The Administrator may award a grant under section 29(l) of the Small Business Act, as so redesignated by subsection (b)(1)(E) of this section, to a nonprofit organization receiving a grant under section 29(m) of the Small Business Act (15 U.S.C. 656(m)), as in effect on the day before the date of enactment of this Act, for the period—

(A) beginning on the day after the last day of the grant agreement under such section 29(m); and

(B) ending at the end of the third fiscal year beginning after the date of enactment of this Act.

**SEC. 425. STUDY AND REPORT ON ECONOMIC ISSUES FACING WOMEN'S BUSINESS CENTERS.**

(a) STUDY.—The Comptroller General of the United States shall conduct a broad study of the unique economic issues facing women's business centers located in covered areas to identify—

(1) the difficulties such centers face in raising non-Federal funds;

(2) the difficulties such centers face in competing for financial assistance, non-Federal funds, or other types of assistance;

(3) the difficulties such centers face in writing grant proposals; and

(4) other difficulties such centers face because of the economy in the type of covered area in which such centers are located.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Comptroller General shall submit to Congress a report containing the results of the study under subsection (a), which shall include recommendations, if any, regarding how to—

(1) address the unique difficulties women's business centers located in covered areas face because of the type of covered area in which such centers are located;

(2) expand the presence of, and increase the services provided by, women's business centers located in covered areas; and

(3) best use technology and other resources to better serve women business owners located in covered areas.

(c) DEFINITION OF COVERED AREA.—In this section, the term ''covered area'' means—

(1) any State that is predominantly rural, as determined by the Administrator;

(2) any State that is predominantly urban, as determined by the Administrator; and

(3) any State or territory that is an island.

**SEC. 426. STUDY AND REPORT ON OVERSIGHT OF WOMEN'S BUSINESS CENTERS.**

(a) STUDY.—The Comptroller General of the United States shall conduct a study of the oversight of women's business centers by the Administrator, which shall include—

(1) an analysis of the coordination by the Administrator of the activities of women's business centers with the activities of small business development centers, the Service Corps of Retired Executives, and Veterans Business Outreach Centers;

(2) a comparison of the types of individuals and small business concerns served by women's business centers and the types of individuals and small business concerns served by small business development centers, the Service Corps of Retired Executives, and Veterans Business Outreach Centers; and

(3) an analysis of performance data for women's business centers that evaluates how well women's business centers are carrying out the mission of women's business centers and serving individuals and small business concerns.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Comptroller General shall submit to Congress a report containing the results of the study under subsection (a), which shall include recommendations, if any, for eliminating the duplication of services provided by women's business centers, small business development centers, the Service Corps of Retired Executives, and Veterans Business Outreach Centers.

**Subtitle C—Strengthening America's Small Business Development Centers**

**SEC. 431. INSTITUTIONS OF HIGHER EDUCATION.**

Section 21 of the Small Business Act (15 U.S.C. 648) is amended—

(1) in subsection (a)(1), by striking ''*: Provided*, That'' and all that follows through ''on such date.'' and inserting the following: ''. On and after December 31, 2013, the Administrator may only make a grant under this paragraph to an applicant that is an institution of higher education, as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)), that is accredited (and not merely in preaccreditation status) by a nationally recognized accrediting agency or association recognized by the Secretary of Education for such purpose in accordance with section 496 of that Act (20 U.S.C. 1099b).''; and

(2) in subsection (c)(3)(K), by inserting ''public and private institutions of higher education (including universities, community colleges, and junior colleges),'' before ''local and regional private consultants''.

**SEC. 432. UPDATING FUNDING LEVELS FOR SMALL BUSINESS DEVELOPMENT CENTERS.**

(a) MINIMUM FUNDING LEVELS.—Section 21(a)(4)(C) of the Small Business Act (15 U.S.C. 648(a)(4)(C)) is amended—

(1) in clause (iii)—

(A) by striking ''$90,000,000'' each place that term appears and inserting ''$98,500,000'';

(B) by striking ''$81,500,000'' each place that term appears and inserting ''$90,000,000''; and

(C) by striking ''$500,000'' each place that term appears and inserting ''$600,000'';

(2) in clause (v)(II), by striking ''if the usage'' and all that follows through the end of the subclause and inserting a period; and

(3) in clause (v), by striking subclause (I) and inserting the following:

''(I) IN GENERAL.—Of the amounts made available in any fiscal year to carry out this section—

''(aa) not more than $50,000 may be used by the Administration to pay the expenses enumerated in subparagraph (B) of section 20(a)(1);

''(bb) not more than $500,000 may be used by the Administration to pay the expenses enumerated in subparagraph (C) of section 20(a)(1); and

''(cc) not more than $250,000 may be used by the Administration to pay the expenses enumerated in subparagraph (D) of section 20(a)(1).''.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 21(a)(4)(C)(vii) of the Small Business Act (15 U.S.C. 648(a)(4)(C)(vii)) is amended to read as follows:

''(vii) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subparagraph—

''(I) $135,000,000 for fiscal year 2013;

''(II) $135,000,000 for fiscal year 2014; and

''(III) $135,000,000 for fiscal year 2015.''.

**SEC. 433. ASSISTANCE TO OUT-OF-STATE SMALL BUSINESSES.**

Section 21(b)(3) of the Small Business Act (15 U.S.C. 648(b)(3)) is amended—

(1) by striking ''(3) At the discretion'' and inserting the following:

''(3) ASSISTANCE TO OUT-OF-STATE SMALL BUSINESSES.—

''(A) IN GENERAL.—At the discretion''; and

(2) by adding at the end the following:

''(B) DISASTER RECOVERY ASSISTANCE.—

''(i) IN GENERAL.—At the discretion of the Administrator, the Administrator may authorize a small business development center to provide assistance, as described in subsection (c), to small business concerns located outside of the State, without regard to geographic proximity, if the small business concerns are located in an area for which the President has declared a major disaster under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170), during the period of the declaration.

''(ii) CONTINUITY OF SERVICES.—A small business development center that provides counselors to an area described in clause (i) shall, to the maximum extent practicable, ensure continuity of services in any State in which the small business development center otherwise provides services.

''(iii) ACCESS TO DISASTER RECOVERY FACILITIES.—For purposes of this subparagraph, the Administrator shall, to the maximum extent practicable, permit the personnel of a small business development center to use any site or facility designated by the Administrator for use to provide disaster recovery assistance.''.

**SEC. 434. TERMINATION OF SMALL BUSINESS DEVELOPMENT CENTER DEFENSE ECONOMIC TRANSITION ASSISTANCE.**

(a) IN GENERAL.—Section 21(c)(3) of the Small Business Act (15 U.S.C. 648(c)(3)) is amended—

(1) by striking subparagraph (G); and

(2) by redesignating subparagraphs (H) through (T) as subparagraphs (G) through (S), respectively.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—Section 21(a) of the Small Business Act (15 U.S.C. 648(a)) is amended—

(1) in paragraph (4)(C)(vi), by striking ''or (c)(3)(G)''; and

(2) in paragraph (6), by striking ''subparagraphs (B) through (G) of subsection (c)(3)'' and inserting ''subparagraphs (B) through (F) of subsection (c)(3)''.

(c) EXISTING GRANTS.—Nothing in this section shall affect any grant made to a small business development center before the date of enactment of this Act under section 21(c)(3)(G) of the Small Business Act (15 U.S.C. 648(c)(3)(G)), as in effect on the day before the date of enactment of this Act, and any such grant shall be subject to such section 21(c)(3)(G), as in effect on the day before the date of enactment of this Act.

**SEC. 435. NATIONAL SMALL BUSINESS DEVELOPMENT CENTER ADVISORY BOARD.**

(a) IN GENERAL.—Section 21(i)(1) of the Small Business Act (15 U.S.C. 648(i)(1)) is amended—

(1) in the first sentence, by striking ''nine members'' and inserting ''10 members'';

(2) in the second sentence, by striking ''six'' and inserting ''the members who are not from universities or their affiliates'';

(3) by striking the third sentence; and

(4) in the fourth sentence—

(A) by striking ''Succeeding Boards'' and inserting ''The members of the Board''; and

(B) by inserting ''not less than'' before ''one-third''.

(b) INCUMBENTS.—An individual serving as a member of the National Small Business Development Center Advisory Board on the date of enactment of this Act may continue to serve on the Board until the end of the term of the member under section 21(i)(1) of the Small Business Act (15 U.S.C. 648(i)(1)), as in effect on the day before such date of enactment.

**SEC. 436. REPEAL OF PAUL D. COVERDELL DRUG-FREE WORKPLACE PROGRAM.**

Section 27 of the Small Business Act (15 U.S.C. 654) is repealed.

**Subtitle D—Terminating the National Veterans Business Development Corporation**

**SEC. 441. NATIONAL VETERANS BUSINESS DEVELOPMENT CORPORATION.**

(a) IN GENERAL.—The Small Business Act (15 U.S.C. 631 et seq.) is amended by striking section 33 (15 U.S.C. 657c).

(b) CORPORATION.—On and after the date of enactment of this Act, the National Veterans Business Development Corporation and any successor thereto may not represent that the corporation is federally chartered or in any other manner authorized by the Federal Government.

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) SMALL BUSINESS ACT.—The Small Business Act (15 U.S.C. 631 et seq.), as amended by this section, is amended—

(A) by redesignating sections 34 through 45 as sections 33 through 44, respectively;

(B) in section 9(k)(1)(D) (15 U.S.C. 638(k)(1)(D)), by striking ''section 34(d)'' and inserting ''section 33(d)'';

(C) in section 33 (15 U.S.C. 657d), as so redesignated—

(i) by striking ''section 35'' each place it appears and inserting ''section 34'';

(ii) in subsection (a)—

(I) in paragraph (2), by striking ''section 35(c)(2)(B)'' and inserting ''section 34(c)(2)(B)'';

(II) in paragraph (4), by striking ''section 35(c)(2)'' and inserting ''section 34(c)(2)''; and

(III) in paragraph (5), by striking ''section 35(c)'' and inserting ''section 34(c)''; and

(iii) in subsection (h)(2), by striking ''section 35(d)'' and inserting ''section 34(d)'';

(D) in section 34 (15 U.S.C. 657e), as so redesignated—

(i) by striking ''section 34'' each place it appears and inserting ''section 33''; and

(ii) in subsection (c)(1), by striking section ''34(c)(1)(E)(ii)'' and inserting section ''33(c)(1)(E)(ii)'';

(E) in section 36(d) (15 U.S.C. 657i(d)), as so redesignated, by striking ''section 43'' and inserting ''section 42'';

(F) in section 39(d) (15 U.S.C. 657l(d)), as so redesignated, by striking ''section 43'' and inserting ''section 42''; and

(G) in section 40(b) (15 U.S.C. 657m(b)), as so redesignated, by striking ''section 43'' and inserting ''section 42''.

(2) TITLE 10.—Section 1142(b)(13) of title 10, United States Code, is amended by striking ''and the National Veterans Business Development Corporation''.

(3) TITLE 38.—Section 3452(h) of title 38, United States Code, is amended by striking ''any of the'' and all that follows and inserting ''any small business development center described in section 21 of the Small Business Act (15 U.S.C. 648), insofar as such center offers, sponsors, or cosponsors an entrepreneurship course, as that term is defined in section 3675(c)(2).''.

(4) FOOD, CONSERVATION, AND ENERGY ACT OF 2008.—Section 12072(c)(2) of the Food, Conservation, and Energy Act of 2008 (15 U.S.C. 636g(c)(2)) is amended by striking ''section 43 of the Small Business Act, as added by this Act'' and inserting ''section 42 of the Small Business Act (15 U.S.C. 657o)''.

(5) VETERANS ENTREPRENEURSHIP AND SMALL BUSINESS DEVELOPMENT ACT OF 1999.—Section 203(c)(5) of the Veterans Entrepreneurship and Small Business Development Act of 1999 (15 U.S.C. 657b note) is amended by striking ''In cooperation with the National Veterans Business Development Corporation, develop'' and inserting ''Develop''.

**TITLE V—ACCESS TO GOVERNMENT CONTRACTING**

**Subtitle A—Bonds**

**SEC. 511. REMOVAL OF SUNSET DATES FOR CERTAIN PROVISIONS OF THE SMALL BUSINESS INVESTMENT ACT OF 1958.**

(a) MAXIMUM BOND AMOUNT.—Section 411(a)(1) of the Small Business Investment Act of 1958 (15 U.S.C. 694b(a)(1)) is amended by striking ''does not exceed'' and all that follows and inserting ''does not exceed $5,000,000.''.

(b) DENIAL OF LIABILITY.—Section 411(e)(2) of the Small Business Investment Act of 1958 (15 U.S.C. 694b(e)(2)) is amended by striking ''bonds exceeds'' and all that follows and inserting ''bonds exceeds $5,000,000,''.

**Subtitle B—Small Business Contracting Fraud Prevention**

**SEC. 521. SHORT TITLE.**

This subtitle may be cited as the ''Small Business Contracting Fraud Prevention Act of 2012''.

**SEC. 522. DEFINITIONS.**

In this subtitle—

(1) the term ''8(a) program'' means the program under section 8(a) of the Small Business Act (15 U.S.C. 637(a));

(2) the terms ''Administration'' and ''Administrator'' mean the Small Business Administration and the Administrator thereof, respectively;

(3) the terms ''HUBZone'' and ''HUBZone small business concern'' and ''HUBZone map'' have the meanings given those terms in section 3(p) of the Small Business Act (15 U.S.C. 632(p)), as amended by this division; and

(4) the term ''recertification'' means a determination by the Administrator that a business concern that was previously determined to be a qualified HUBZone small business concern is a qualified HUBZone small business concern under section 3(p)(5) of the Small Business Act (15 U.S.C. 632(p)(5)).

**SEC. 523. FRAUD DETERRENCE AT THE SMALL BUSINESS ADMINISTRATION.**

Section 16 of the Small Business Act (15 U.S.C. 645) is amended—

(1) in subsection (d)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking ''Whoever'' and all that follows through ''oneself or another'' and inserting the following: ''A person shall be subject to the penalties and remedies described in paragraph (2) if the person misrepresents the status of any concern or person as a small business concern, a qualified HUBZone small business concern, a small business concern owned and controlled by socially and economically disadvantaged individuals, a small business concern owned and controlled by women, or a small business concern owned and controlled by service-disabled veterans, in order to obtain for any person'';

(ii) by amending subparagraph (A) to read as follows:

''(A) prime contract, subcontract, grant, or cooperative agreement to be awarded under subsection (a) or (m) of section 8, or section 9, 15, 31, or 35;'';

(iii) by striking subparagraph (B);

(iv) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively; and

(v) in subparagraph (C), as so redesignated, by striking '', shall be'' and all that follows and inserting a period;

(B) in paragraph (2)—

(i) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively; and

(ii) by inserting after subparagraph (B) the following:

''(C) be subject to the civil remedies under subchapter III of chapter 37 of title 31, United States Code (commonly known as the 'False Claims Act');''; and

(C) by adding at the end the following:

''(3)(A) In the case of a violation of paragraph (1)(A) or subsection (g) or (h), for purposes of a proceeding described in subparagraph (A) or (C) of paragraph (2), the amount of the loss to the Federal Government or the damages sustained by the Federal Government, as applicable, shall be an amount equal to the amount that the Federal Government paid to the person that received a contract, grant, or cooperative agreement described in paragraph (1)(A), (g), or (h), respectively.

''(B) In the case of a violation of subparagraph (B) or (C) of paragraph (1), for the purpose of a proceeding described in subparagraph (A) or (C) of paragraph (2), the amount of the loss to the Federal Government or the damages sustained by the Federal Government, as applicable, shall be an amount equal to the portion of any payment by the Federal Government under a prime contract that was used for a subcontract described in subparagraph (B) or (C) of paragraph (1), respectively.

''(C) In a proceeding described in subparagraph (A) or (B), no credit shall be applied against any loss or damages to the Federal Government for the fair market value of the property or services provided to the Federal Government.'';

(2) by striking subsection (e) and inserting the following:

''(e) Any representation of the status of any concern or person as a small business concern, a HUBZone small business concern, a small business concern owned and controlled by socially and economically disadvantaged individuals, a small business concern owned and controlled by women, or a small business concern owned and controlled by service-disabled veterans, in order to obtain any prime contract, subcontract, grant, or cooperative agreement described in subsection (d)(1) shall be made in writing or through the Online Representations and Certifications Application process required under section 4.1201 of the Federal Acquisition Regulation, or any successor thereto.''; and

(3) by adding at the end the following:

''(g) A person shall be subject to the penalties and remedies described in subsection (d)(2) if the person misrepresents the status of any concern or person as a small business concern, a qualified HUBZone small business concern, a small business concern owned and controlled by socially and economically disadvantaged individuals, a small business concern owned and controlled by women, or a small business concern owned and controlled by service-disabled veterans—

''(1) in order to allow any person to participate in any program of the Administration; or

''(2) in relation to a protest of a contract award or proposed contract award made under regulations issued by the Administration.

''(h)(1) A person that submits a request for payment on a contract or subcontract that is awarded under subsection (a) or (m) of section 8, or section 9, 15, 31, or 35, shall be deemed to have submitted a certification that the person complied with regulations issued by the Administration governing the percentage of work that the person is required to perform on the contract or subcontract, unless the person states, in writing, that the person did not comply with the regulations.

''(2) A person shall be subject to the penalties and remedies described in subsection (d)(2) if the person—

''(A) uses the services of a business other than the business awarded the contract or subcontract to perform a greater percentage of work under a contract than is permitted by regulations issued by the Administration; or

''(B) willfully participates in a scheme to circumvent regulations issued by the Administration governing the percentage of work that a contractor is required to perform on a contract.''.

**SEC. 524. VETERANS INTEGRITY IN CONTRACTING.**

(a) DEFINITION.—Section 3(q)(1) of the Small Business Act (15 U.S.C. 632(q)(1)) is amended by striking ''means a veteran'' and all that follows and inserting the following: ''means—

''(A) a veteran with a service-connected disability rated by the Secretary of Veterans Affairs as zero percent or more disabling; or

''(B) a former member of the Armed Forces who is retired, separated, or placed on the temporary disability retired list for physical disability under chapter 61 of title 10, United States Code.''.

(b) VETERANS CONTRACTING.—Section 4 of the Small Business Act (15 U.S.C. 633), as amended by this division, is amended by adding at the end the following:

''(i) VETERAN STATUS.—

''(1) IN GENERAL.—A business concern seeking status as a small business concern owned and controlled by service-disabled veterans shall—

''(A) submit an annual certification indicating that the business concern is a small business concern owned and controlled by service-disabled veterans by means of the Online Representations and Certifications Application process required under section 4.1201 of the Federal Acquisition Regulation, or any successor thereto; and

''(B) register with—

''(i) the Central Contractor Registration database maintained under subpart 4.11 of the Federal Acquisition Regulation, or any successor thereto; and

''(ii) the VetBiz database of the Department of Veterans Affairs, or any successor thereto.

''(2) VERIFICATION OF STATUS.—

''(A) VETERANS AFFAIRS.—The Secretary of Veterans Affairs shall determine whether a business concern registered with the VetBiz database of the Department of Veterans Affairs, or any successor thereto, as a small business concern owned and controlled by veterans or a small business concern owned and controlled by service-disabled veterans is owned and controlled by a veteran or a service-disabled veteran, as the case may be.

''(B) FEDERAL AGENCIES GENERALLY.—The head of each Federal agency shall—

''(i) for a sole source contract awarded to a small business concern owned and controlled by service-disabled veterans or a contract awarded with competition restricted to small business concerns owned and controlled by service-disabled veterans under section 35, determine whether a business concern submitting a proposal for the contract is a small business concern owned and controlled by service-disabled veterans; and

''(ii) use the VetBiz database of the Department of Veterans Affairs, or any successor thereto, in determining whether a business concern is a small business concern owned and controlled by service-disabled veterans.

''(3) DEBARMENT AND SUSPENSION.—If the Administrator determines that a business concern knowingly and willfully misrepresented that the business concern is a small business concern owned and controlled by service-disabled veterans, the Administrator may debar or suspend the business concern from contracting with the United States.''.

(c) INTEGRATION OF DATABASES.—The Administrator for Federal Procurement Policy and the Secretary of Veterans Affairs shall ensure that data is shared on an ongoing basis between the VetBiz database of the Department of Veterans Affairs and the Central Contractor Registration database maintained under subpart 4.11 of the Federal Acquisition Regulation.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (b) and the requirements under subsection (c) shall take effect on the date on which the Secretary of Veterans Affairs (referred to in this subsection as the ''Secretary'') publishes in the Federal Register a

determination that the Department of Veterans Affairs has the necessary resources and capacity to carry out the additional responsibility of determining whether small business concerns registered with the VetBiz database of the Department of Veterans Affairs are owned and controlled by a veteran or a service-disabled veteran, as the case may be, in accordance with subsection (i) of section 4 of the Small Business Act (15 U.S.C. 633), as added by subsection (b).

(2) TIMELINE.—If the Secretary determines that the Secretary is not able to publish the determination under paragraph (1) before the date that is 1 year after the date of enactment of this Act, the Secretary shall, not later than 1 year after the date of enactment of this Act, submit a report containing an estimate of the date on which the Secretary will publish the determination under paragraph (1) to the Committee on Small Business and Entrepreneurship and the Committee on Veterans' Affairs of the Senate and the Committee on Small Business and the Committee on Veterans' Affairs of the House of Representatives.

**SEC. 525. SECTION 8(a) PROGRAM IMPROVEMENTS.**

(a) REVIEW OF EFFECTIVENESS.—Section 8(a) of the Small Business Act (15 U.S.C. 637(a)) is amended by adding at the end the following:

''(22) Not later than 3 years after the date of enactment of this paragraph, and every 3 years thereafter, the Comptroller General of the United States shall—

''(A) conduct an evaluation of the effectiveness of the program under this subsection, including an examination of—

''(i) the number and size of contracts applied for, as compared to the number received by, small business concerns after successfully completing the program;

''(ii) the percentage of small business concerns that continue to operate during the 3-year period beginning on the date on which the small business concerns successfully complete the program;

''(iii) whether the business of small business concerns increases during the 3-year period beginning on the date on which the small business concerns successfully complete the program; and

''(iv) the number of training sessions offered under the program; and

''(B) submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding each evaluation under subparagraph (A).''.

(b) OTHER IMPROVEMENTS.—In order to improve the 8(a) program, the Administrator shall—

(1) not later than 90 days after the date of enactment of this Act, begin to—

(A) evaluate the feasibility of—

(i) using additional third-party data sources;

(ii) making unannounced visits of sites that are selected randomly or using risk-based criteria;

(iii) using fraud detection tools, including data-mining techniques; and

(iv) conducting financial and analytical training for the business opportunity specialists of the Administration;

(B) evaluate the feasibility and advisability of amending regulations applicable to the 8(a) program to require that calculations of the adjusted net worth or total assets of an individual include assets held by the spouse of the individual; and

(C) develop a more consistent enforcement strategy that includes the suspension or debarment of contractors that knowingly make misrepresentations in order to qualify for the 8(a) program; and

(2) not later than 1 year after the date on which the Comptroller General submits the report under section 8(a)(22)(B) of the Small Business Act, as added by subsection (c), issue, in final form, proposed regulations of the Administration that—

(A) determine the economic disadvantage of a participant in the 8(a) program based on the income and asset levels of the participant at the time of application and annual recertification for the 8(a) program; and

(B) limit the ability of a small business concern to participate in the 8(a) program if an immediate family member of an owner of the small business concern is, or has been, a participant in the 8(a) program, in the same industry.

**SEC. 526. HUBZONE IMPROVEMENTS.**

(a) PURPOSE.—The purpose of this section is to reform and improve the HUBZone program of the Administration.

(b) IN GENERAL.—The Administrator shall—

(1) ensure the HUBZone map is—

(A) accurate and up-to-date; and

(B) revised as new data is made available to maintain the accuracy and currency of the HUBZone map;

(2) implement policies for ensuring that only HUBZone small business concerns determined to be qualified under section 3(p)(5) of the Small Business Act (15 U.S.C. 632(p)(5)) are participating in the HUBZone program, including through the appropriate use of technology to control costs and maximize, among other benefits, uniformity, completeness, simplicity, and efficiency;

(3) submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding any application to be designated as a HUBZone small business concern or for recertification for which the Administrator has not made a determination as of the date that is 60 days after the date on which the application was submitted or initiated, which shall include a plan and timetable for ensuring the timely processing of the applications; and

(4) develop measures and implement plans to assess the effectiveness of the HUBZone program that—

(A) require the identification of a baseline point in time to allow the assessment of economic development under the HUBZone program, including creating additional jobs; and

(B) take into account—

(i) the economic characteristics of the HUBZone; and

(ii) contracts being counted under multiple socioeconomic subcategories.

(c) EMPLOYMENT PERCENTAGE.—Section 3(p) of the Small Business Act (15 U.S.C. 632(p)) is amended—

(1) in paragraph (5), by adding at the end the following:

''(E) EMPLOYMENT PERCENTAGE DURING INTERIM PERIOD.—

''(i) DEFINITION.—In this subparagraph, the term 'interim period' means the period beginning on the date on which the Administrator determines that a HUBZone small business concern is qualified under subparagraph (A) and ending on the day before the date on which a contract under the HUBZone program for which the HUBZone small business concern submits a bid is awarded.

''(ii) INTERIM PERIOD.—During the interim period, the Administrator may not determine that the HUBZone small business is not qualified under subparagraph (A) based on a failure to meet the applicable employment percentage under subparagraph (A)(i)(I), unless the HUBZone small business concern—

''(I) has not attempted to maintain the applicable employment percentage under subparagraph (A)(i)(I); or

''(II) does not meet the applicable employment percentage—

''(aa) on the date on which the HUBZone small business concern submits a bid for a contract under the HUBZone program; or

''(bb) on the date on which the HUBZone small business concern is awarded a contract under the HUBZone program.''; and

(2) by adding at the end the following:

''(8) HUBZONE PROGRAM.—The term 'HUBZone program' means the program established under section 31.

''(9) HUBZONE MAP.—The term 'HUBZone map' means the map used by the Administration to identify HUBZones.''.

(d) REDESIGNATED AREAS.—Section 3(p)(4)(C)(i) of the Small Business Act (15 U.S.C. 632(p)(4)(C)(i)) is amended to read as follows:

''(i) 3 years after the first date on which the Administrator publishes a HUBZone map that is based on the results from the 2010 decennial census; or''.

**SEC. 527. ANNUAL REPORT ON SUSPENSION, DEBARMENT, AND PROSECUTION.**

The Administrator shall submit an annual report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives that contains—

(1) the number of debarments from participation in programs of the Administration issued by the Administrator during the 1-year period preceding the date of the report, including—

(A) the number of debarments that were based on a conviction; and

(B) the number of debarments that were fact-based and did not involve a conviction;

(2) the number of suspensions from participation in programs of the Administration issued by the Administrator during the 1-year period preceding the date of the report, including—

(A) the number of suspensions issued that were based upon indictments; and

(B) the number of suspensions issued that were fact-based and did not involve an indictment;

(3) the number of suspension and debarments issued by the Administrator during the 1-year period preceding the date of the report that were based upon referrals from offices of the Administration, other than the Office of Inspector General;

(4) the number of suspension and debarments issued by the Administrator during the 1-year period preceding the date of the report based upon referrals from the Office of Inspector General; and

(5) the number of persons that the Administrator declined to debar or suspend after a referral described in paragraph (8), and the reason for each such decision.

**Subtitle C—Fairness in Women-Owned Small Business Contracting**

**SEC. 531. SHORT TITLE.**

This subtitle may be cited as the ''Fairness in Women-Owned Small Business Contracting Act of 2012''.

**SEC. 532. PROCUREMENT PROGRAM FOR WOMEN-OWNED SMALL BUSINESS CONCERNS.**

Section 8(m) of the Small Business Act (15 U.S.C. 637(m)) is amended—

(1) in paragraph (2)—

(A) in subparagraph (A), by striking ''who are economically disadvantaged'';

(B) in subparagraph (C), by striking ''paragraph (3)'' and inserting ''paragraph (4)'';

(C) by striking subparagraph (D); and

(D) by redesignating subparagraphs (E) and (F) as subparagraphs (D) and (E), respectively; and

(2) by adding at the end the following:

''(7) SOLE SOURCE CONTRACTS.—A contracting officer may award a sole source contract under this subsection to a small business concern owned and controlled by women under the same conditions as a sole source contract may be awarded to a qualified HUBZone small business concern under section 31(b)(2)(A).''.

**SEC. 533. STUDY AND REPORT ON REPRESENTATION OF WOMEN.**

Section 29 of the Small Business Act (15 U.S.C. 656), as amended by section 424 of this division, is amended by adding at the end the following:

''(n) STUDY AND REPORT ON REPRESENTATION OF WOMEN.—

''(1) STUDY.—The Administrator shall periodically conduct a study to identify any United States industry, as defined under the North American Industry Classification System, in which women are underrepresented.

''(2) REPORT.—Not later than 5 years after the date of enactment of this subsection, and every 5 years thereafter, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report on the results of each study under paragraph (1) conducted during the 5-year period ending on the date of the report.''.

**Subtitle D—Small Business Champion**

**SEC. 541. SHORT TITLE.**

This subtitle may be cited as the ''Small Business Champion Act of 2012''.

**SEC. 542. OFFICES OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION.**

(a) APPOINTMENT AND POSITION OF DIRECTOR.—Section 15(k)(2) of the Small Business Act (15 U.S.C. 644(k)(2)) is amended by striking ''such agency,'' and inserting ''such agency to a position that is a Senior Executive Service position (as such term is defined under section 3132(a) of title 5, United States Code), except that, for any agency in which the positions of Chief Acquisition Officer and senior procurement executive (as such terms are defined under section 43(a) of this Act) are not Senior Executive Service positions, the Director of Small and Disadvantaged Business Utilization may be appointed to a position compensated at not less than the minimum rate of basic pay payable for grade GS–15 of the General Schedule under section 5332 of such title (including comparability payments under section 5304 of such title);''.

(b) PERFORMANCE APPRAISALS.—Section 15(k)(3) of the Small Business Act (15 U.S.C. 644(k)(3)) is amended—

(1) by striking ''be responsible only to, and report directly to, the head'' and inserting ''shall be responsible only to (including with respect to performance appraisals), and report directly and exclusively to, the head''; and

(2) by striking ''be responsible only to, and report directly to, such Secretary'' and inserting ''be responsible only to (including with respect to performance appraisals), and report directly and exclusively to, such Secretary''.

(c) SMALL BUSINESS TECHNICAL ADVISERS.—Section 15(k)(8)(B) of the Small Business Act (15 U.S.C. 644(k)(8)(B)) is amended by striking ''and 15 of this Act,'' and inserting '', 15, and 43 of this Act;''.

(d) ADDITIONAL REQUIREMENTS.—Section 15(k) of the Small Business Act (15 U.S.C. 644(k)) is amended by inserting after paragraph (10) the following:

''(11) shall review and advise such agency on any decision to convert an activity performed by a small business concern to an activity performed by a Federal employee;

''(12) shall provide to the Chief Acquisition Officer and senior procurement executive of such agency advice and comments on acquisition strategies, market research, and justifications related to section 43 of this Act;

''(13) may provide training to small business concerns and contract specialists, except that such training may only be provided to the extent that the training does not interfere with the Director carrying out other responsibilities under this subsection;

''(14) shall carry out exclusively the duties enumerated in this Act, and shall, while the Director, not hold any other title, position, or responsibility, except as necessary to carry out responsibilities under this subsection;

''(15) shall submit, each fiscal year, to the Committee on Small Business of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate a report describing—

''(A) the training provided by the Director under paragraph (13) in the most recently completed fiscal year;

''(B) the percentage of the budget of the Director used for such training in the most recently completed fiscal year; and

''(C) the percentage of the budget of the Director used for travel in the most recently completed fiscal year; and

''(16) shall have not less than 10 years of relevant procurement experience.''.

(e) TECHNICAL AMENDMENTS.—Section 15(k) of the Small Business Act (15 U.S.C. 644(k)), as amended by subsection (d), is further amended—

(1) in the matter preceding paragraph (1) by striking ''who shall'' and inserting ''who'';

(2) in paragraph (1)—

(A) by striking ''be known'' and inserting ''shall be known''; and

(B) by striking ''such agency,'' and inserting ''such agency;'';

(3) in paragraph (2) by striking ''be appointed by'' and inserting ''shall be appointed by'';

(4) in paragraph (3)—

(A) by striking ''director'' and inserting ''Director''; and

(B) by striking ''Secretary's designee,'' and inserting ''Secretary's designee;'';

(5) in paragraph (4)—

(A) by striking ''be responsible'' and inserting ''shall be responsible''; and

(B) by striking ''such agency,'' and inserting ''such agency;'';

(6) in paragraph (5) by striking ''identify proposed'' and inserting ''shall identify proposed'';

(7) in paragraph (6) by striking ''assist small'' and inserting ''shall assist small'';

(8) in paragraph (7)—

(A) by striking ''have supervisory'' and inserting ''shall have supervisory''; and

(B) by striking ''this Act,'' and inserting ''this Act;'';

(9) in paragraph (8)—

(A) by striking ''assign a'' and inserting ''shall assign a''; and

(B) by striking ''the activity, and'' and inserting ''the activity; and'';

(10) in paragraph (9)—

(A) by striking ''cooperate, and'' and inserting ''shall cooperate, and''; and

(B) by striking ''subsection, and'' and inserting ''subsection;''; and

(11) in paragraph (10)—

(A) by striking ''make recommendations'' and inserting ''shall make recommendations'';

(B) by striking ''subsection (a), or section'' and inserting ''subsection (a), section'';

(C) by striking ''Act or section 2323'' and inserting ''Act, or section 2323'';

(D) by striking ''Code. Such recommendations shall'' and inserting ''Code, which shall''; and

(E) by striking ''contract file.'' and inserting ''contract file;''.

**SEC. 543. SMALL BUSINESS PROCUREMENT ADVISORY COUNCIL.**

(a) DUTIES.—Section 7104(b) of the Federal Acquisition Streamlining Act of 1994 (15 U.S.C. 644 note) is amended—

(1) in paragraph (1) by striking ''and'' at the end;

(2) in paragraph (2) by striking ''authorities.'' and inserting ''authorities;''; and

(3) by adding at the end the following:

''(3) to conduct reviews of each Office of Small and Disadvantaged Business Utilization established under section 15(k) of the Small Business Act (15 U.S.C. 644(k)) to determine the compliance of each Office with requirements under such section;

''(4) to identify best practices for maximizing small business utilization in Federal contracting that may be implemented by Federal agencies having procurement powers; and

''(5) to submit, annually, to the Committee on Small Business of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate a report describing—

''(A) the comments submitted under paragraph (2) during the 1-year period ending on the date on which the report is submitted, including any outcomes related to the comments;

''(B) the results of reviews conducted under paragraph (3) during such 1-year period; and

''(C) best practices identified under paragraph (4) during such 1-year period.''.

(b) MEMBERSHIP.—Section 7104(c) of the Federal Acquisition Streamlining Act of 1994 (15 U.S.C. 644 note) is amended by striking ''(established under section 15(k) of the Small Business Act (15 U.S.C. 644(k))''.

(c) CHAIRMAN.—Section 7104(d) of the Federal Acquisition Streamlining Act of 1994 (15 U.S.C. 644 note) is amended by inserting after ''Small Business Administration'' the following: ''(or the designee of the Administrator)''.

**TITLE VI—TRANSPARENCY, ACCOUNTABILITY, AND EFFECTIVENESS**

**Subtitle A—Small Business Common Application**

**SEC. 611. DEFINITIONS.**

In this subtitle—

(1) the terms ''Administration'' and ''Administrator'' mean the Small Business Administration and the Administrator thereof, respectively;

(2) the term ''Executive agency'' has the meaning given that term under section 105 of title 5, United States Code;

(3) the term ''Executive Committee'' means the Executive Committee on a Small Business Common Application established under section 613(a);

(4) the term ''small business concern'' has the meaning given that term under section 3 of the Small Business Act (15 U.S.C. 632);

**SEC. 612. SENSE OF CONGRESS.**

It is the sense of Congress that Executive agencies should—

(1) reduce paperwork burdens on small business concerns pursuant to section 3501 of title 44, United States Code;

(2) maximize the ability of small business concerns to use common applications, where practicable, and use consolidated web portals to interact with Executive agencies;

(3) maintain high standards for data privacy and security;

(4) increase the degree and ease of information sharing and coordination among programs serving small business concerns that are carried out by Executive agencies, including State and local offices of Executive agencies; and

(5) minimize redundancy in the administration of programs that can utilize common applications, where practicable, and consolidated web portals.

**SEC. 613. EXECUTIVE COMMITTEE ON A SMALL BUSINESS COMMON APPLICATION.**

(a) ESTABLISHMENT.—There is established in the Administration an Executive Committee on a Small Business Common Application, which shall make recommendations regarding the establishment, if practicable, of a small business common application and web portal.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The members of the Executive Committee shall consist of—

(A) the Administrator;

(B) the Assistant Secretary of Commerce for Economic Development; and

(C) 1 senior officer or employee having policy and technical expertise appointed by each of—

(i) the Administrator of the General Services Administration;

(ii) the Director of the National Institutes of Health;

(iii) the Director of the National Science Foundation;

(iv) the President of the Export-Import Bank;

(v) the Secretary of Agriculture;

(vi) the Secretary of Defense;

(vii) the Secretary of Health and Human Services;

(viii) the Secretary of Labor;

(ix) the Secretary of State;

(x) the Secretary of the Treasury; and

(xi) the Secretary of Veterans Affairs.

(2) CHAIRPERSON.—The Administrator shall serve as chairperson of the Executive Committee.

(3) PERIOD OF APPOINTMENT.—Members of the Executive Committee shall be appointed for a term of 1 year.

(4) VACANCIES.—A vacancy in the Executive Committee shall be filled in the same manner as the original appointment, not later than 30 days after the date on which the vacancy occurs.

(c) MEETINGS.—

(1) IN GENERAL.—The Executive Committee shall meet at the call of the chairperson of the Executive Committee.

(2) QUORUM.—A majority of the members of the Executive Committee shall constitute a quorum.

(3) FIRST MEETING.—The first meeting of the Executive Committee shall take place not later than 30 days after the date of enactment of this subtitle.

(4) PUBLIC MEETING.—The Executive Committee shall hold at least 1 public meeting before the date described in subsection (d)(1) to receive comments from small business concerns and other interested parties.

(d) DUTIES.—

(1) RECOMMENDATIONS.—Not later than 270 days after the date of enactment of this Act, upon a vote of the majority of members of the Executive Committee then serving, the Executive Committee shall submit to the Administrator recommendations relating to the feasibility of establishing a small business common application and web portal in order to meet the goals described in section 612.

(2) TRANSMISSION TO EXECUTIVE AGENCIES.—The Executive Committee shall transmit to each Executive agency a complete copy of the recommendations submitted under paragraph (1).

(3) TRANSMISSION TO CONGRESS.—The Executive Committee shall transmit to each relevant committee of Congress a complete copy of the recommendations submitted under paragraph (1).

(4) RECOMMENDATIONS BY EXECUTIVE AGENCIES.—Not later than 30 days after the date on which the Executive Committee transmits recommendations to the Executive agency under paragraph (2), each Executive agency that provides Federal assistance to small business concerns shall submit to Congress recommendations, if any, for legislative changes necessary for the Executive agency to carry out the recommendations under paragraph (1).

(e) PERSONNEL MATTERS.—

(1) COMPENSATION OF MEMBERS.—The members of the Executive Committee shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(2) DETAIL OF EMPLOYEES.—The Administrator may detail to the Executive Committee any employee of the Economic Development Administration, and such detail shall be without interruption or loss of civil service status or privilege.

(f) FEDERAL ADVISORY COMMITTEE ACT.—Section 14 of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply with respect to the Executive Committee.

**SEC. 614. AUTHORIZATION OF APPROPRIATIONS.**

There are authorized to be appropriated to the Administrator such sums as may be necessary to carry out this subtitle.

**Subtitle B—Government Accountability Office Review**

**SEC. 621. GOVERNMENT ACCOUNTABILITY OFFICE REVIEW.**

Not later than 2 years after the date of enactment of this Act, the Comptroller General of the United States shall submit a report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives that evaluates the status of the programs authorized under this division and the amendments made by this division, including the extent to which such programs have been funded and implemented and have contributed to promoting job creation among small business concerns.

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**SA 2522.** Mr. REID proposed an amendment to amendment SA 2521 proposed by Mr. REID (for Ms. LANDRIEU) to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; as follows:

At the end, add the following new section:

**SEC. ____.**

This Act shall become effective 7 days after enactment.

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**SA 2523.** Mr. REID proposed an amendment to amendment SA 2522 proposed by Mr. REID to the amendment SA 2521 proposed by Mr. REID (for Ms. LANDRIEU) to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; as follows:

In the amendment, strike ''7 days'' and insert ''6 days''.

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**SA 2524.** Mr. REID proposed an amendment to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; as follows:

Strike all after the first word and insert the following:

**1. SHORT TITLE.**

This Act may be cited as the ''Small Business Tax Cut Act''.

**SEC. 2. DEDUCTION FOR DOMESTIC BUSINESS INCOME OF QUALIFIED SMALL BUSINESSES.**

(a) IN GENERAL.—Part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

**''SEC. 200. DOMESTIC BUSINESS INCOME OF QUALIFIED SMALL BUSINESSES.**

''(a) ALLOWANCE OF DEDUCTION.—In the case of a qualified small business, there shall be allowed as a deduction an amount equal to 20 percent of the lesser of—

''(1) the qualified domestic business income of the taxpayer for the taxable year, or

''(2) taxable income (determined without regard to this section) for the taxable year.

''(b) DEDUCTION LIMITED BASED ON WAGES PAID.—

''(1) IN GENERAL.—The amount of the deduction allowable under subsection (a) for any taxable year shall not exceed 50 percent of the greater of—

''(A) the W–2 wages of the taxpayer paid to non-owners, or

''(B) the sum of—

''(i) the W–2 wages of the taxpayer paid to individuals who are non-owner family members of direct owners, plus

''(ii) any W–2 wages of the taxpayer paid to 10-percent-or-less direct owners.

''(2) DEFINITIONS RELATED TO OWNERSHIP.—For purposes of this section—

''(A) NON-OWNER.—The term 'non-owner' means, with respect to any qualified small business, any person who does not own (and is not considered as owning within the meaning of subsection (c) or (e)(3) of section 267, as the case may be) any stock of such business (or, if such business is other than a corporation, any capital or profits interest of such business).

''(B) NON-OWNER FAMILY MEMBERS.—An individual is a non-owner family member of a direct owner if—

''(i) such individual is family (within the meaning of section 267(c)(4)) of a direct owner, and

''(ii) such individual would be a non-owner if subsections (c) and (e)(3) of section 267 were applied without regard to section 267(c)(2).

''(C) DIRECT OWNER.—The term 'direct owner' means, with respect to any qualified small business, any person who owns (or is considered as owning under the applicable non-family attribution rules) any stock of such business (or, if such business is other than a corporation, any capital or profits interest of such business).

''(D) 10-PERCENT-OR-LESS DIRECT OWNERS.—The term '10-percent-or-less direct owner' means, with respect to any qualified small business, any direct owner of such business who owns (or is considered as owning under the applicable non-family attribution rules)—

''(i) in the case of a qualified small business which is a corporation, not more than 10 percent of the outstanding stock of the corporation or stock possessing more than 10 percent of the total combined voting power of all stock of the corporation, or

''(ii) in the case of a qualified small business which is not a corporation, not more than 10 percent of the capital or profits interest of such business.

''(E) APPLICABLE NON-FAMILY ATTRIBUTION RULES.—The term 'applicable non-family attribution rules' means the attribution rules of subsection (c) or (e)(3) of section 267, as the case may be, but in each case applied without regard to section 267(c)(2).

''(3) W–2 WAGES.—For purposes of this section—

''(A) IN GENERAL.—The term 'W–2 wages' means, with respect to any person for any taxable year of such person, the sum of the amounts described in paragraphs (3) and (8) of section 6051(a) paid by such person with respect to employment of employees by such person during the calendar year ending during such taxable year.

''(B) LIMITATION TO WAGES ATTRIBUTABLE TO QUALIFIED DOMESTIC BUSINESS INCOME.—Such term shall not include any amount which is not properly allocable to domestic business gross receipts for purposes of subsection (c)(1).

''(C) OTHER REQUIREMENTS.—Except in the case of amounts treated as W–2 wages under paragraph (4)—

''(i) such term shall not include any amount which is not allowed as a deduction under section 162 for the taxable year, and

''(ii) such term shall not include any amount which is not properly included in a return filed with the Social Security Administration on or before the 60th day after the due date (including extensions) for such return.

''(4) CERTAIN PARTNERSHIP DISTRIBUTIONS TREATED AS W–2 WAGES.—

''(A) IN GENERAL.—In the case of a qualified small business which is a partnership and elects the application of this paragraph for the taxable year—

''(i) the qualified domestic business taxable income of such partnership for such taxable year (determined after the application of clause (ii)) which is allocable under rules similar to the rules of section 199(d)(1)(A)(ii) to each qualified service-providing partner shall be treated for purposes of this section as W–2 wages paid during such taxable year to such partner as an employee, and

''(ii) the domestic business gross receipts of such partnership for such taxable year shall be reduced by the amount so treated.

''(B) QUALIFIED SERVICE-PROVIDING PARTNER.—For purposes of this paragraph, the term 'qualified service-providing partner' means, with respect to any qualified domestic business taxable income, any partner who is a 10-percent-or-less direct owner and who materially participates in the trade or business to which such income relates.

''(5) ACQUISITIONS AND DISPOSITIONS.—The Secretary shall provide for the application of this subsection in cases where the taxpayer acquires, or disposes of, the major portion of a trade or business or the major portion of a separate unit of a trade or business during the taxable year.

''(c) QUALIFIED DOMESTIC BUSINESS INCOME.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified domestic business income' for any taxable year means an amount equal to the excess (if any) of—

''(A) the taxpayer's domestic business gross receipts for such taxable year, over

''(B) the sum of—

''(i) the cost of goods sold that are allocable to such receipts, and

''(ii) other expenses, losses, or deductions (other than the deduction allowed under this section), which are properly allocable to such receipts.

''(2) DOMESTIC BUSINESS GROSS RECEIPTS.—

''(A) IN GENERAL.—The term 'domestic business gross receipts' means the gross receipts of the taxpayer which are effectively connected with the conduct of a trade or business within the United States within the meaning of section 864(c) but determined—

''(i) without regard to paragraphs (3), (4), and (5) thereof, and

''(ii) by substituting 'qualified small business (within the meaning of section 200)' for 'nonresident alien individual or a foreign corporation' each place it appears therein.

''(B) EXCEPTIONS.—For purposes of paragraph (1), domestic business gross receipts shall not include any of the following:

''(i) Gross receipts derived from the sale or exchange of—

''(I) a capital asset, or

''(II) property used in the trade or business (as defined in section 1231(b)).

''(ii) Royalties, rents, dividends, interest, or annuities.

''(iii) Any amount which constitutes wages (as defined in section 3401).

''(3) APPLICATION OF CERTAIN RULES.—Rules similar to the rules of paragraphs (2) and (3) of section 199(c) shall apply for purposes of this section (applied with respect to qualified domestic business income in lieu of qualified production activities income and with respect to domestic business gross receipts in lieu of domestic production gross receipts).

''(d) QUALIFIED SMALL BUSINESS.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified small business' means any employer engaged in a trade or business if such employer had fewer than 500 full-time equivalent employees for either calendar year 2010 or 2011.

''(2) FULL-TIME EQUIVALENT EMPLOYEES.—The term 'full-time equivalent employees' has the meaning given such term by subsection (d)(2) of section 45R applied—

''(A) without regard to subsection (d)(5) of such section,

''(B) with regard to subsection (e)(1) of such section, and

''(C) by substituting 'calendar year' for 'taxable year' each place it appears therein.

''(3) EMPLOYERS NOT IN EXISTENCE PRIOR TO 2012.—In the case of an employer which was not in existence on January 1, 2012, the determination under paragraph (1) shall be made with respect to calendar year 2012.

''(4) APPLICATION TO CALENDAR YEARS IN WHICH EMPLOYER IN EXISTENCE FOR PORTION OF CALENDAR YEAR.—In the case of any calendar year during which the employer comes into existence, the number of full-time equivalent employees determined under paragraph (2) with respect to such calendar year shall be increased by multiplying the number so determined (without regard to this paragraph) by the quotient obtained by dividing—

''(A) the number of days in such calendar year, by

''(B) the number of days during such calendar year which such employer is in existence.

''(5) SPECIAL RULES.—

''(A) AGGREGATION RULE.—For purposes of paragraph (1), any person treated as a single employer under subsection (a) or (b) of section 52 (applied without regard to section 1563(b)) or subsection (m) or (o) of section 414 shall be treated as a single employer for purposes of this subsection.

''(B) PREDECESSORS.—Any reference in this subsection to an employer shall include a reference to any predecessor of such employer.

''(e) SPECIAL RULES.—

''(1) ELECTIVE APPLICATION OF DEDUCTION.—Except as otherwise provided by the Secretary, the taxpayer may elect not to take any item of income into account as domestic business gross receipts for purposes of this section.

''(2) COORDINATION WITH SECTION 199.—If a deduction is allowed under this section with respect to any taxpayer for any taxable year—

''(A) any gross receipts of the taxpayer which are taken into account under this section for such taxable year shall not be taken into account under section 199 for such taxable year, and

''(B) the W–2 wages of the taxpayer which are taken into account under this section shall not be taken into account under section 199 for such taxable year.

''(3) APPLICATION OF CERTAIN RULES.—Rules similar to the rules of paragraphs (1), (2), (3), (4), (6), and (7) of section 199(d) shall apply for purposes of this section (applied with respect to qualified domestic business income in lieu of qualified production activities income).

''(f) REGULATIONS.—The Secretary shall prescribe such regulations as are necessary to carry out the purposes of this section, including regulations which prevent a taxpayer which reorganizes from being treated as a qualified small business if such taxpayer would not have been treated as a qualified small business prior to such reorganization.

''(g) APPLICATION.—Subsection (a) shall apply only with respect to the first taxable year of the taxpayer beginning after December 31, 2011.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 56(d)(1)(A) of such Code is amended by striking ''deduction under section 199'' both places it appears and inserting ''deductions under sections 199 and 200''.

(2) Section 56(g)(4)(C) of such Code is amended by adding at the end the following new clause:

''(vii) DEDUCTION FOR DOMESTIC BUSINESS INCOME OF QUALIFIED SMALL BUSINESSES.—Clause (i) shall not apply to any amount allowable as a deduction under section 200.''.

(3) The following provisions of such Code are each amended by inserting ''200,'' after ''199,''.

(A) Section 86(b)(2)(A).
(B) Section 135(c)(4)(A).
(C) Section 137(b)(3)(A).
(D) Section 219(g)(3)(A)(ii).
(E) Section 221(b)(2)(C)(i).
(F) Section 222(b)(2)(C)(i).
(G) Section 246(b)(1).
(H) Section 469(i)(3)(F)(iii).

(4) Section 163(j)(6)(A)(i) of such Code is amended by striking ''and'' at the end of subclause (III) and by inserting after subclause (IV) the following new subclause:

''(V) any deduction allowable under section 200, and''.

(5) Section 170(b)(2)(C) of such Code is amended by striking ''and'' at the end of clause (iv), by striking the period at the end of clause (v) and inserting '', and'', and by inserting after clause (v) the following new clause:

''(vi) section 200.''.

(6) Section 172(d) of such Code is amended by adding at the end the following new paragraph:

''(8) DOMESTIC BUSINESS INCOME OF QUALIFIED SMALL BUSINESSES.—The deduction under section 200 shall not be allowed.''.

(7) Section 613(a) of such Code is amended by striking ''deduction under section 199'' and inserting ''deductions under sections 199 and 200''.

(8) Section 613A(d)(1) of such Code is amended by redesignating subparagraphs (C), (D), and (E) as subparagraphs (D), (E), and (F), respectively, and by inserting after subparagraph (B) the following new subparagraph:

''(C) any deduction allowable under section 200,''.

(9) Section 1402(a) of such Code is amended by striking ''and'' at the end of paragraph (16), by redesignating paragraph (17) as paragraph (18), and by inserting after paragraph (16) the following new paragraph:

''(17) the deduction provided by section 200 shall not be allowed; and''.

(c) CLERICAL AMENDMENT.—The table of sections for part VI of subchapter B of chapter 1 of such Code is amended by adding at the end the following new item:

''Sec. 200. Domestic business income of qualified small businesses.''.

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**SA 2525.** Mr. REID proposed an amendment to amendment SA 2524 proposed by Mr. REID to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus

depreciation for an additional year, and for other purposes; as follows:

At the end, add the following new section:

SEC. ____.

This title shall become effective 5 days after enactment.

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**SA 2526.** Mr. REID proposed an amendment to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; as follows:

SEC. ____.

This Act shall become effective 3 days after enactment.

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**SA 2527.** Mr. REID proposed an amendment to amendment SA 2526 proposed by Mr. REID to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; as follows:

In the amendment, strike ''3 days'' and insert ''2 days''.

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**SA 2528.** Mr. REID proposed an amendment to amendment SA 2527 proposed by Mr. REID to the amendment SA 2526 proposed by Mr. REID to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; as follows:

In the amendment, strike ''2 days'' and insert ''1 day''.

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**SA 2529.** Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. ___. MODIFICATION AND PERMANENT EXTENSION OF THE INCENTIVES TO REINVEST FOREIGN EARNINGS IN THE UNITED STATES.**

(a) REPATRIATION SUBJECT TO 5 PERCENT TAX RATE.—Subsection (a)(1) of section 965 of the Internal Revenue Code of 1986 is amended by striking ''85 percent'' and inserting ''85.7 percent''.

(b) PERMANENT EXTENSION TO ELECT REPATRIATION.—Subsection (f) of section 965 of the Internal Revenue Code of 1986 is amended to read as follows:

''(f) ELECTION.—The taxpayer may elect to apply this section to any taxable year only if made on or before the due date (including extensions) for filing the return of tax for such taxable year.''.

(c) REPATRIATION INCLUDES CURRENT AND ACCUMULATED FOREIGN EARNINGS.—

(1) IN GENERAL.—Paragraph (1) of section 965(b) of the Internal Revenue Code of 1986 is amended to read as follows:

''(1) IN GENERAL.—The amount of dividends taken into account under subsection (a) shall not exceed the sum of the current and accumulated earnings and profits described in section 959(c)(3) for the year a deduction is claimed under subsection (a), without diminution by reason of any distributions made during the election year, for all controlled foreign corporations of the United States shareholder.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 965(b) of such Code is amended by striking paragraphs (2) and (4) and by redesignating paragraph (3) as paragraph (2).

(B) Section 965(c) of such Code is amended by striking paragraphs (1) and (2) and by redesignating paragraphs (3), (4), and (5) as paragraphs (1), (2), and (3), respectively.

(C) Paragraph (3) of section 965(c) of such Code, as redesignated by subparagraph (B), is amended to read as follows:

''(3) CONTROLLED GROUPS.—All United States shareholders which are members of an affiliated group filing a consolidated return under section 1501 shall be treated as one United States shareholder.''.

(d) CLERICAL AMENDMENTS.—

(1) The heading for section 965 of the Internal Revenue Code of 1986 is amended by striking ''**TEMPORARY**''.

(2) The table of sections for subpart F of part III of subchapter N of chapter 1 of such Code is amended by striking ''Temporary dividends'' and inserting ''Dividends''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

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**SA 2530.** Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. ___. PERMANENT EXTENSION OF TAX RELIEF.**

(a) 2001 TAX RELIEF.—The Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking title IX.

(b) 2003 RELIEF.—Title III of the Jobs and Growth Tax Relief Reconciliation Act of 2003 is amended by striking section 303.

(c) ALTERNATIVE MINIMUM TAX EXEMPTION AMOUNTS.—

(1) INCREASED EXEMPTION AMOUNTS MADE PERMANENT.—

(A) IN GENERAL.—Paragraph (1) of section 55(d) of the Internal Revenue Code of 1986 is amended—

(i) by striking ''$45,000 ($72,450 in the case of taxable years beginning in 2010 and $74,450 in the case of taxable years beginning in 2011)'' in subparagraph (A) and inserting ''$74,450'',

(ii) by striking ''$33,750 ($47,450 in the case of taxable years beginning in 2010 and $48,450 in the case of taxable years beginning in 2011)'' in subparagraph (B) and inserting ''$48,450'', and

(iii) by striking ''paragraph (1)(A)'' in subparagraph (C) and inserting ''subparagraph (A)''.

(2) EXEMPTION AMOUNTS INDEXED FOR INFLATION.—Subsection (d) of section 55 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(4) INFLATION ADJUSTMENT.—

''(A) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 2011, each of the dollar amounts contained in subparagraphs (A) and (B) of paragraph (1) shall be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2010' for 'calendar year 1992' in subparagraph (B) thereof.

''(B) ROUNDING.—Any increase determined under subparagraph (A) shall be rounded to the nearest multiple of $100.''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2011.

(d) ALTERNATIVE MINIMUM TAX RELIEF FOR NONREFUNDABLE CREDITS.—

(1) IN GENERAL.—Subsection (a) of section 26 of the Internal Revenue Code of 1986 is amended to read as follows:

''(a) LIMITATION BASED ON AMOUNT OF TAX.—The aggregate amount of credits allowed by this subpart for the taxable year shall not exceed the sum of—

''(1) the taxpayer's regular tax liability for the taxable year reduced by the foreign tax credit allowable under section 27(a), and

''(2) the tax imposed by section 55(a) for the taxable year.''.

(2) CONFORMING AMENDMENTS.—

(A) ADOPTION CREDIT.—

(i) Section 23(b) of the Internal Revenue Code of 1986 is amended by striking paragraph (4).

(ii) Section 23(c) of such Code is amended by striking paragraphs (1) and (2) and inserting the following:

''(1) IN GENERAL.—If the credit allowable under subsection (a) for any taxable year exceeds the limitation imposed by section 26(a) for such taxable year reduced by the sum of the credits allowable under this subpart (other than this section and sections 25D and 1400C), such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year.''.

(iii) Section 23(c) of such Code is amended by redesignating paragraph (3) as paragraph (2).

(B) CHILD TAX CREDIT.—

(i) Section 24(b) of such Code is amended by striking paragraph (3).

(ii) Section 24(d)(1) of such Code is amended—

(I) by striking ''section 26(a)(2) or subsection (b)(3), as the case may be,'' each place it appears in subparagraphs (A) and (B) and inserting ''section 26(a)'', and

(II) by striking ''section 26(a)(2) or subsection (b)(3), as the case may be'' in the second last sentence and inserting ''section 26(a)''.

(C) CREDIT FOR INTEREST ON CERTAIN HOME MORTGAGES.—Section 25(e)(1)(C) of such Code is amended to read as follows:

''(C) APPLICABLE TAX LIMIT.—For purposes of this paragraph, the term 'applicable tax limit' means the limitation imposed by section 26(a) for the taxable year reduced by the sum of the credits allowable under this subpart (other than this section and sections 23, 25D, and 1400C).''.

(D) SAVERS' CREDIT.—Section 25B of such Code is amended by striking subsection (g).

(E) RESIDENTIAL ENERGY EFFICIENT PROPERTY.—Section 25D(c) of such Code is amended to read as follows:

''(c) CARRYFORWARD OF UNUSED CREDIT.—If the credit allowable under subsection (a) exceeds the limitation imposed by section 26(a) for such taxable year reduced by the sum of the credits allowable under this subpart (other than this section), such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such succeeding taxable year.''.

(F) CERTAIN PLUG-IN ELECTRIC VEHICLES.—Section 30(c)(2) of such Code is amended to read as follows:

''(2) PERSONAL CREDIT.—For purposes of this title, the credit allowed under subsection (a) for any taxable year (determined after application of paragraph (1)) shall be treated as a credit allowable under subpart A for such taxable year.''.

(G) ALTERNATIVE MOTOR VEHICLE CREDIT.—Section 30B(g)(2) of such Code is amended to read as follows:

''(2) PERSONAL CREDIT.—For purposes of this title, the credit allowed under subsection (a) for any taxable year (determined after application of paragraph (1)) shall be treated as a credit allowable under subpart A for such taxable year.''.

(H) NEW QUALIFIED PLUG-IN ELECTRIC VEHICLE CREDIT.—Section 30D(c)(2) of such Code is amended to read as follows:

''(2) PERSONAL CREDIT.—For purposes of this title, the credit allowed under subsection (a) for any taxable year (determined after application of paragraph (1)) shall be treated as a credit allowable under subpart A for such taxable year.''.

(I) CROSS REFERENCES.—Section 55(c)(3) of such Code is amended by striking ''26(a), 30C(d)(2),'' and inserting ''30C(d)(2)''.

(J) FOREIGN TAX CREDIT.—Section 904 of such Code is amended by striking subsection (i) and by redesignating subsections (j), (k), and (l) as subsections (i), (j), and (k), respectively.

(K) FIRST-TIME HOME BUYER CREDIT FOR THE DISTRICT OF COLUMBIA.—Section 1400C(d) of such Code is amended to read as follows:

''(d) CARRYFORWARD OF UNUSED CREDIT.—If the credit allowable under subsection (a) exceeds the limitation imposed by section 26(a) for such taxable year reduced by the sum of the credits allowable under subpart A of part IV of subchapter A (other than this section and section 25D), such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year.''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2011.

**TITLE ____—DEATH TAX REPEAL**

**SEC. ___1. SHORT TITLE.**

This title may be cited as the ''Death Tax Repeal Permanency Act of 2012''.

**SEC. ___2. REPEAL OF ESTATE AND GENERATION-SKIPPING TRANSFER TAXES.**

(a) ESTATE TAX REPEAL.—Subchapter C of chapter 11 of subtitle B of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

**''SEC. 2210. TERMINATION.**

''(a) IN GENERAL.—Except as provided in subsection (b), this chapter shall not apply to the estates of decedents dying on or after the date of the enactment of the Death Tax Repeal Permanency Act of 2012.

''(b) CERTAIN DISTRIBUTIONS FROM QUALIFIED DOMESTIC TRUSTS.—In applying section 2056A with respect to the surviving spouse of a decedent dying before the date of the enactment of the Death Tax Repeal Permanency Act of 2012—

''(1) section 2056A(b)(1)(A) shall not apply to distributions made after the 10-year period beginning on such date, and

''(2) section 2056A(b)(1)(B) shall not apply on or after such date.''.

(b) GENERATION-SKIPPING TRANSFER TAX REPEAL.—Subchapter G of chapter 13 of subtitle B of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

**''SEC. 2664. TERMINATION.**

''This chapter shall not apply to generation-skipping transfers on or after the date of the enactment of the Death Tax Repeal Permanency Act of 2012.''.

(c) CONFORMING AMENDMENTS.—

(1) The table of sections for subchapter C of chapter 11 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

''Sec. 2210. Termination.''.

(2) The table of sections for subchapter G of chapter 13 of such Code is amended by adding at the end the following new item:

''Sec. 2664. Termination.''.

(d) RESTORATION OF PRE-EGTRRA PROVISIONS NOT APPLICABLE.—

(1) IN GENERAL.—Section 301 of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 shall not apply to estates of decedents dying, and transfers made, on or after the date of the enactment of this Act.

(2) EXCEPTION FOR STEPPED-UP BASIS.—Paragraph (1) shall not apply to the provisions of law amended by subtitle E of title V of the Economic Growth and Tax Relief Reconciliation Act of 2001 (relating to carryover basis at death; other changes taking effect with repeal).

(e) SUNSET NOT APPLICABLE.—Section 304 of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 is hereby repealed.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to the estates of decedents dying, and generation-skipping transfers, after the date of the enactment of this Act.

**SEC. ___3. MODIFICATIONS OF GIFT TAX.**

(a) COMPUTATION OF GIFT TAX.—Subsection (a) of section 2502 of the Internal Revenue Code of 1986 is amended to read as follows:

''(a) COMPUTATION OF TAX.—

''(1) IN GENERAL.—The tax imposed by section 2501 for each calendar year shall be an amount equal to the excess of—

''(A) a tentative tax, computed under paragraph (2), on the aggregate sum of the taxable gifts for such calendar year and for each of the preceding calendar periods, over

''(B) a tentative tax, computed under paragraph (2), on the aggregate sum of the taxable gifts for each of the preceding calendar periods.

''(2) RATE SCHEDULE.—

| **''If the amount with respect to which the tentative tax to be computed is:.** | **The tentative tax is:** |
|---|---|
| Not over $10,000 ..... | 18% of such amount. |
| Over $10,000 but not over $20,000. | $1,800, plus 20% of the excess over $10,000. |
| Over $20,000 but not over $40,000. | $3,800, plus 22% of the excess over $20,000. |
| Over $40,000 but not over $60,000. | $8,200, plus 24% of the excess over $40,000. |
| Over $60,000 but not over $80,000. | $13,000, plus 26% of the excess over $60,000. |
| Over $80,000 but not over $100,000. | $18,200, plus 28% of the excess over $80,000. |
| Over $100,000 but not over $150,000. | $23,800, plus 30% of the excess over $100,000. |
| Over $150,000 but not over $250,000. | $38,800, plus 32% of the excess of $150,000. |
| Over $250,000 but not over $500,000. | $70,800, plus 34% of the excess over $250,000. |
| Over $500,000 ..... | $155,800, plus 35% of the excess of $500,000.''. |

(b) TREATMENT OF CERTAIN TRANSFERS IN TRUST.—Section 2511 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(c) TREATMENT OF CERTAIN TRANSFERS IN TRUST.—Notwithstanding any other provision of this section and except as provided in regulations, a transfer in trust shall be treated as a taxable gift under section 2503, unless the trust is treated as wholly owned by the donor or the donor's spouse under subpart E of part I of subchapter J of chapter 1.''.

(c) LIFETIME GIFT EXEMPTION.—Paragraph (1) of section 2505(a) of the Internal Revenue Code of 1986 is amended to read as follows:

''(1) the amount of the tentative tax which would be determined under the rate schedule set forth in section 2502(a)(2) if the amount with respect to which such tentative tax is to be computed were $5,000,000, reduced by''.

(d) CONFORMING AMENDMENTS.—

(1) Section 2505(a) of the Internal Revenue Code of 1986 is amended by striking the last sentence.

(2) The heading for section 2505 of such Code is amended by striking ''**unified**''.

(3) The item in the table of sections for subchapter A of chapter 12 of such Code relating to section 2505 is amended to read as follows:

''Sec. 2505. Credit against gift tax.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to gifts made on or after the date of the enactment of this Act.

(f) TRANSITION RULE.—

(1) IN GENERAL.—For purposes of applying sections 1015(d), 2502, and 2505 of the Internal Revenue Code of 1986, the calendar year in which this title is enacted shall be treated as 2 separate calendar years one of which ends on the day before the date of the enactment of this Act and the other of which begins on such date of enactment.

(2) APPLICATION OF SECTION 2504(b).—For purposes of applying section 2504(b) of the Internal Revenue Code of 1986, the calendar year in which this title is enacted shall be treated as one preceding calendar period.

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**SA 2531.** Mr. ROBERTS submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

On page __, between lines __ and __, insert the following:

**SEC. _____. EXTENSION OF AUTHORITY OF SECRETARY OF THE TREASURY TO RELEASE A LEVY ON A TAXPAYER'S PROPERTY BASED ON AN ECONOMIC HARDSHIP DUE TO THE FINANCIAL CONDITION OF THE TAXPAYER'S BUSINESS.**

(a) IN GENERAL.—Paragraph (1) of section 6343 of the Internal Revenue Code of 1986 is amended—

(1) by inserting ''or the taxpayer's trade or business'' after ''taxpayer'' in subparagraph (D), and

(2) by adding at the end the following new sentence: ''For purposes of subparagraph (D), in making the determination to release a levy against a trade or business on economic hardship grounds, the Secretary shall consider the economic viability of the trade or business, the nature and extent of the hardship (including whether the taxpayer exercised ordinary business care and prudence), the potential harm to individuals if the trade or business is liquidated, and whether the taxes could be collected from a responsible person under an assessment under section 6672.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to levies issued on or after the date of the enactment of this Act.

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## NOTICE OF HEARING

SUBCOMMITTEE ON WATER AND POWER

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public

that a hearing has been scheduled before the Subcommittee on Water and Power of the Committee on Energy and Natural Resources. The hearing will be held on Wednesday, July 25, 2012, at 2:30 p.m., in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this oversight hearing is to examine the role of water use efficiency and its impact on energy use.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send it to the Committee on Energy and Natural Resources, United States Senate, Washington, DC 20510–6150, or by email to Meagan_Gins@energy.senate.gov.

For further information, please contact Sara Tucker at (202) 224–6224 or Meagan Gins at (202) 224–0883.

## AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FINANCE

Mr. BEGICH. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on July 11, 2012, at 10 a.m., in room SD–215 of the Dirksen Senate Office Building, to conduct a roundtable to discuss ''Medicare Physician Payments: Perspectives from Physicians.''

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

Mr. BEGICH. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs be authorized to meet during the session of the Senate on July 11, 2012, at 10 a.m., to conduct a hearing titled ''The Future of Homeland Security: Evolving and Emerging Threats.''

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BEGICH. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on July 11, 2012, at 9:30 a.m., in room SD–226 of the Dirksen Senate Office Building, to conduct a hearing entitled ''Oversight of the Impact on Competition of Exclusion Orders to Enforce Standard-Essential Patents.''

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BEGICH. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on July 11, 2012, at 2 p.m., in room SD–226 of the Dirksen Senate Office Building, to conduct a hearing entitled ''Judicial Nominations.''

The PRESIDING OFFICER. Without objection, it is so ordered.

## RAOUL WALLENBERG CENTENNIAL CELEBRATION ACT

Mr. BENNET. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 3001, which was received from the House and is at the desk.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 3001) to award a Congressional Gold Medal to Raoul Wallenberg, in recognition of his achievements and heroic actions during the Holocaust.

There being no objection, the Senate proceeded to consider the bill.

Mr. BENNET. Mr. President, I ask unanimous consent that the bill be read three times and passed, the motion to reconsider be laid upon the table, without any intervening action or debate, and any related statements be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 3001) was ordered to a third reading, was read the third time, and passed.

## VETERAN SKILLS TO JOBS ACT

Mr. BENNET. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 4155, which was received from the House and is at the desk.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 4155) to direct the head of each Federal department and agency to treat relevant military training as sufficient to satisfy training or certification requirements for Federal licenses.

There being no objection, the Senate proceeded to consider the bill.

Mr. BENNET. Mr. President, I ask unanimous consent that the bill be read three times and passed, the motion to reconsider be laid upon the table, with no intervening action or debate, and any related statements be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 4155) was ordered to a third reading, was read the third time, and passed.

## ORDERS FOR THURSDAY, JULY 12, 2012

Mr. BENNET. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 9:30 a.m. on Thursday, July 12; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, and the time for the two leaders be reserved for their use later in the day; that the majority leader be recognized and the first hour be equally divided and controlled between the two leaders or their designees, with the majority controlling the first half and the Republicans controlling the final half.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PROGRAM

Mr. BENNET. Mr. President, this evening the majority leader filed cloture on the Landrieu substitute and the underlying Small Business Jobs and Tax Relief Act. As a result, the filing deadline for amendments to the Landrieu substitute amendment and to S. 2237 is 1 p.m. tomorrow.

Unless an agreement is reached, the cloture votes will be on Friday. We hope we can come to an agreement to have them tomorrow.

## ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. BENNET. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that it adjourn under the previous order.

There being no objection, the Senate, at 7:03 p.m., adjourned until Thursday, July 12, 2012, at 9:30 a.m.

## NOMINATIONS

Executive nominations received by the Senate:

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

DOROTHY KOSINSKI, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2016, VICE RICARDO QUINONES, TERM EXPIRED.

DEPARTMENT OF STATE

DAWN M. LIBERI, OF FLORIDA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF BURUNDI.

STEPHEN D. MULL, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF POLAND.

WALTER NORTH, OF WASHINGTON, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO PAPUA NEW GUINEA, AND TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE SOLOMON ISLANDS AND AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF VANUATU.

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

*To be lieutenant general*

MAJ. GEN. DAVID R. HOGG

THE FOLLOWING ARMY NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12211:

*To be major general*

BRIG. GEN. JOYCE L. STEVENS

THE FOLLOWING ARMY NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12211:

*To be brigadier general*

COL. KYLE E. GOERKE

THE FOLLOWING ARMY NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12211:

*To be major general*

BRIG. GEN. JOHN L. GRONSKI

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF ADMIRAL IN THE UNITED STATES

NAVY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601 AND TITLE 42, U.S.C., SECTION 7158:

TO BE DIRECTOR, NAVAL NUCLEAR PROPULSION PROGRAM

*To be admiral*

VICE ADM. JOHN M. RICHARDSON

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

*To be vice admiral*

REAR ADM. DAVID A. DUNAWAY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

*To be commander*

JOEL A. AHLGRIM
ZACHARY M. ALEXANDER
DAVID A. BARROWS
DAVID A. BESACHIO
JONATHAN BESCHLOSS
KENNETH O. BONAPARTE
BRANDON J. BRYANT
NATALIE J. BURMAN
JOSEPH R. CARNEY
LEO A. CARNEY
ROBERT J. CARPENTER III
JERRY W. CHANDLER II
THOMAS L. CHUNG
SHAWN S. CLAUSEN
DANIEL E. COOPER
JANINE R. DANKO
SOPHIA E. DEBEN
MICHAEL L. DEVAN
ANDREW P. DOAN
JOHN D. DUERDEN
CHRISTOPHER A. DUPLESSIS
MARILISA G. ELROD
JILL E. EMERICK
CHRISTIN M. B. FOSTER
STEPHEN L. FOSTER
DANIEL W. GABIER
THOMAS Q. GALLAGHER
TODD A. GARDNER
STEVEN J. GAUERKE
JON C. GIACOMAN
JOSE E. GOMEZ
CARLOS E. GOMEZSANCHEZ
ISAAC GOODING
THOMAS R. GRANT
ELIZABETH A. GRASMUCK
JOY A. GREER
ERICA S. GROGAN
PETER M. HAMMER
RYAN J. HARRIS
JESSICA M. HAYFORD
JUSTIN W. HEIL
JASON W. HOLLENSBE
EWELL M. HOLLIS
ARLENE J. HUDSON
DAVID C. JANNOTTA
ANTHONY W. KELLER
ROLAND S. KENT
MIN K. KIM
LEO T. KROONEN
CORRY J. KUCIK
RYAN D. LAMOND
DUANE M. LAWRENCE
FERNANDO F. LEYVA
ANDREW H. LIN
ROBERT A. LIOTTA
MICHELLE F. LIU
JASON J. LUKAS
STEVEN R. MAIER
DEBRA A. MANNING
CHAD Y. MAO
MATTHEW J. MARCUSON
JEFFREY S. MARTENS
GREGORY S. MCNABB
ALEX R. MINTER
EMORI A. MOORE
CHRISTOPHER J. NEAL
BRIAN G. NORWOOD
TIMOTHY R. OELTMANN
TAWAKALITU O. OSENI
JAMES K. PALMA
GREGORY A. PATE
GERALD W. PLATT
OBIE M. POWELL
STEVEN P. PRASKE
BRYAN D. PROPES
ELIZABETH T. REEVES
KRISTIE A. ROBSON
CORBY D. ROPP
KAREN B. RUSSELL
VICTOR L. RUTERBUSCH
PATCHO N. SANTIAGO
JOEL M. SCHOFER
JASON W. SCHROEDER
CYNTHIA M. SCHULTZ
PETER J. SEBENY
JOHN H. SEOK
BRADLEY A. SERWER
WILLIAM W. SHIELDS
JEFFREY W. SINGLEY
LEAH K. SOLEY
SCOTT A. SPARKS
SEAN P. STROUP
MICHAEL A. SULLIVAN
MATTHEW J. SWIBER
STEPHEN S. TANTAMA
CHRISTOPHER R. TATRO
JOHN C. VENTURA
ERIK P. VOOGD
RUSTIN C. WALTERS
DIRK A. WARREN
JOHN B. WEATHERWAX
DAVID A. WEIS
TIMOTHY M. WIMMER
CAROLYN A. WINNINGHAM
STACEY Q. WOLFE
MARK L. WOODBRIDGE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

*To be commander*

JOHN E. BISSELL
ROBERT P. BOLTON
CYNTHIA CHINH
RONNIE M. CITRO
HARRY R. COLE, JR.
CHRISTOPHER M. HAMLIN
MATTHEW B. B. MILLER
ROBERT H. MINER
JOHVIN PERRY
SEPEHR RAJAEI
ALEXANDER ROYZENBLAT
HOWARD K. VANNESS
RASHA H. WELCH
SABINA S. YUN
STEPHEN S. YUNE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

*To be commander*

ROBERT L. ANDERSON II
BRENNAN S. AUTRY
DEBRA L. BAKER
CHRISTOPHER T. BLAIR
GORDON R. BLIGHTON
WILLIE J. BROWN
GERALD F. BURKE
STEPHEN A. CHAPMAN
SERGIO CHAVEZ
MATTHEW C. DOAN
MICHAEL O. ENRIQUEZ
WILLIAM E. GRADY
MICHAEL J. GRANDE
DARRYL E. GREEN
RONA D. GREEN
GARY C. GROTHE, JR.
MATTHEW J. HOLCOMB
WILLIAM R. HOWARD
THOMAS D. JENKINS
FRANCA R. JONES
WILLIAM E. KELLY
JASON T. LEWIS
KATHRYN T. LINDSEY
NILO M. LLAGAS
CHRISTOPHER J. MALDARELLA
ANDREW L. MARTIN
WILLIAM J. PLUMMER III
DONNA POULIN
JAMES C. QUICK III
ROBERT C. RAWLEIGH
JEFFREY J. REPASS
DUNELEY A. ROCHINO
RONALD L. SCHOONOVER
THAD J. SHARP
MICHAEL D. SMITH
DANIELLE M. WOOTEN
CAROL B. ZWIEBACH

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

*To be commander*

MARC S. BREWEN
HUGH BURKE
ARTHUR L. GASTON III
STACIA J. GAWRONSKI
CHRISTOPHER J. GREER
MATTHEW B. KUREK
JOAN M. MALIK
KIMBERLEY B. MCCANN
KEVIN W. MESSER
MARK P. NEVITT
HEATHER D. PARTRIDGE
STEPHEN C. REYES
ANGELA C. RONGOTES
JEFFREY A. SUTTON
DUSTIN E. WALLACE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

*To be commander*

LUCELINA B. BADURA
LAURIE E. BASABE
SHELLY B. BENFIELD
CHERIE L. BLANK
SUSANNE E. BLANKENBAKER
JOHANNA M. BRENNER
WILLIAM H. BROOKS
CHAWN T. BROWN
JENNIFER J. BUECHEL
JENNY S. BURKETT
KEVIN J. BURNS
WILLIAM S. BYERS
CARLIN A. CALLAWAY
SANTIAGO B. CAMANO
BRIAN E. CARMAN
MICHELLE N. CARR
JASEN P. CHRISTENSEN
DANIEL W. CLARK
NATHANIEL R. CLARK
JULIE A. CONRARDY
WENDY A. COOK
PATRICIA L. CRELLER
JULIE A. DARLING
DANIEL A. DAURORA
JOSEPH L. DESAMERO
AMY L. DRAYTON
KENNETH N. DUBROWSKI
JASON B. ELLIS
ALISON E. FAITH
RONALD A. FANCHER
MIKE T. FINCKBONE
PATRICK J. FITZPATRICK
JOSE D. FLORES
FLEMING L. FRENCH
MICHELLE A. FRENCH
KATHRYN A. GARNER
TRACEY R. GILES
CARL W. GOFORTH
JOSEPH A. GOMEZ
MATTHEW J. GRASER
ERIC C. GRYN
RHONDA O. HINDS
SHARON L. HOUSE
DIANA L. HOWELL
JEFFREY L. HUFF
BOBBY J. HURT
TRACY R. ISAAC
MARC E. JASEK
SHAWN B. KASE
MARIE J. KELLEY
SHAUNA R. KINGHOLLIS
KATHRYN J. KRAUSE
MARK R. LANG
RACHEL M. LEWIS
DAVID M. LOSHBAUGH
ANGELO P. LUCERO
JOSEPH A. MARCANTEL
ABIGAIL E. MARTER
FREDORA A. MCRAE
JENNIFER A. MILLS
CHRISTOPHER P. NILES
SALEE J. P. OBOZA
RONNIE G. OKIALDA
CHRISTINE C. PALARCA
MARY K. PARKER
ELISABET PRIETO
ROBERT B. PROPES
KEVIN G. QUINN
SARA E. SHAFFER
KIM P. SHAUGHNESSY
PATRICK S. SHUSTER
LISA M. SNYDER
DARRYL B. SOL
TIMOTHY K. STACKS
PAULINE M. STAJNER
WENDY L. STONE
MAVIS R. THOMAS
PAUL S. VILLAIRE
PHILIP D. VOYER
MICHELE A. WAARA
PAMELA H. WALL
MICHELLE E. WEDDLE
GERARD J. WHITE
WILLIAM W. WIEGMANN
FRANCISCO I. WONPAT
HEATHER G. WYCKOFF
WILLIAM A. YOUNG

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

*To be commander*

JASON W. ADAMS
STERLEN D. BARNES
ROMEO O. BAUTISTA
STEVEN E. BOYCOURT
ARCANGELO P. DELLANNO
PAUL W. DEMEYER
JOHN H. HAMILTON IV
MICHAEL D. KRISMAN
ANDREW J. LEWIS
RYAN D. LOOKABILL
BRIAN W. MAXWELL
JOHN G. MONTINOLA
ERIK R. NALEY
ERNAN S. OBELLOS
JOEL P. PITEL
JEREMY C. POWELL
ANDRE T. SADOWSKI
MARTIN C. THOMAS
ANGELA S. S. TORRES
SHAWN M. TRIGGS

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

*To be commander*

DAVID L. CLINE
BRUCE W. CROUTERFIELD
ROY E. HOFFMAN
JOHN T. JOHNS
ROBERT L. JONES, JR.
ERIK P. LEE
EMORY C. LUSSI
LEROY G. MACK III
HAGAN R. MCCLELLAN, JR.
GABRIEL MENSAH
PATRICK A. NIEMEYER
SANTIAGO RODRIGUEZ
RYAN R. RUPE

BETH A. STALLINGA
MARK A. TANIS
MICHAEL L. TOMLINSON
PAUL S. TREMBLAY
BRIAN D. WEIGELT
TEDDY L. WILLIAMS, JR.
DAVID S. YANG

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

*To be commander*

EMILY Z. ALLEN
JAY A. BIESZKE
DEANNA S. CARPENTER
MICHAEL W. CHUCRAN
GARY W. DOSS
RICHARD A. FICARELLI
ANA I. FRANCO
JOSEPH D. HARDER III
RANDALL E. HARMEYER
MICHAEL A. JAMES
RONALD J. JENKINS
CHAD C. KOSTER
PHILLIP M. LAVALLEE
WALTER S. LUDWIG
THOMAS J. LYONS III
EDWARD B. MILLER IV
MICHAEL K. OBEIRNE
JEFFREY M. PFEIL
JOSEPH C. POPE
JEFFREY W. SHERWOOD
JENNIFER L. TETATZIN
ROBERT G. TETREAULT
MARK I. TIPTON
DUDE L. UNDERWOOD
JONATHAN P. WITHAM